

)	
In re:)	Chapter 11
)	
TOMS KING (OHIO) LLC, <i>et al.</i> , ¹)	Case No. 23-50001 (AMK)
)	(Jointly Administered)
Debtors.)	
)	Judge Alan M. Koschik
)	

PLEASE TAKE NOTICE that attached hereto as Exhibit A is a copy of the Transcript of the Stenographic Notes of the Auction Proceedings conducted on March 21, 2023 by TOMS King (Ohio) LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases.

23-50001-amk Doc 409 FILED 04/03/23 ENTERED 04/03/23 23:05:49 Page 1 of 170

Dated: April 3, 2023

/s/ Richard K. Stovall

ALLEN STOVALL NEUMAN & ASHTON LLP

Thomas R. Allen (0017513)

Richard K. Stovall (0029978)

James A. Coutinho (0082430)

10 W. Broad St., Ste. 2400

Columbus, Ohio 43215

Telephone: (614) 221-8500

Facsimile: (614) 221-5988

Email: allen@ASNAlaw.com

stovall@ASNAlaw.com

coutinho@ASNAlaw.com

- and -

WOMBLE BOND DICKINSON (US) LLP

Matthew P. Ward, Admitted *Pro Hac Vice*

Ericka F. Johnson, Admitted *Pro Hac Vice*

Morgan L. Patterson, Admitted *Pro Hac Vice*

Todd A. Atkinson (0077374)

William D. Curtis, Admitted *Pro Hac Vice*

1313 North Market Street, Suite 1200

Wilmington, Delaware 19801

Telephone: (302) 252-4320

Facsimile: (302) 252-4330

Email: matthew.ward@wbd-us.com

ericka.johnson@wbd-us.com

morgan.patterson@sbd-us.com

todd.atkinson@wbd-us.com

will.curtis@wbd-us.com

*Counsel to the Debtors and
Debtors in Possession*

EXHIBIT A



March 21, 2023

IN RE: TOMS KING (OHIO) LLC Debtor

Reliable Court Reporting

Phone – 215-563-3363

Fax – 215-563-8839

www.reliable-co.com

4 — — —

9 -----

11

21

23

24

ORIGINAL

1 **APPEARANCES :**

2

3 **DEBTOR REPRESENTATIVES**

4 Dan Dooley (host)

5 Ericka Johnson

6 Matthew Ward

7 Pat Schuetz

8 Matt Carpenter

9 David Rego

10 Katrina Nunez

11

12

13

14

15

16

17

18

19

20

21

22

23

24

1 **APPEARANCES:**

2

3 John Northern

4 Kuljeet Singh

5 Gianfranco Finizio

6 Paul Battista

7 Peter Perdue

8 Adam Prescott

9 Sarah Schultz

10 Josh Young

11 Frank DeBorde

12 Paul Battista

13 Sarah Crow

14 Cindi Giglio

15 Steven Flemming

16 Mike Verdisco

17 John McDiffie

18 Lee Rooney

19 Ben Jarratt

20 Chris Jones

21 RJ Dourney

22 Terri Stratton

23 David Posner

24

1 - - -

2 PROCEEDINGS

3 - - -

4 MR. DOOLEY: Okay. Amanda, on the record,
5 please. Good morning, everyone. This is Dan
6 Dooley from Morris Anderson.

7 My apologies for starting late this
8 morning. Copies of the Hotel Dupont are
9 apparently very, very difficult to get. Should
10 have walked back to the office and made copies.
11 It took 20 minutes to do so. Should have taken
12 five minutes.

13 Anyway, we are going to start out with
14 the introduction. First, this is the auction for
15 TOMS King, LLC, debtor, affiliates. That's a
16 bankruptcy case, Northern District Ohio, case
17 numbers-23-50001.

18 My name is Dan Dooley with Morris
19 Anderson. I'm the chief instruction officer.
20 With me this morning, starting at the far right,
21 is debtor's counsel, Matthew Ward of Womble. And
22 then we have Katrina Nunez. She is Reinvest
23 Capital.

24 Next to me on the right is David Rego,

1 our lead investment banker for Invest Capital. To
2 my left, Ericka Johnson, who is with Womble Bond
3 as well. And lastly, is my colleague, Pat
4 Schuetz, of Morris Anderson.

5 To the far left is Amanda. Amanda is
6 our court reporter. We are recording this
7 proceeding for later. Pat is going to hand out
8 two documents to each table. We have a number of
9 copies we waited a long time with.

10 One is something what we call auction
11 process structure. It's a document that you
12 should look at. I'm going to go through that in
13 detail as we start the auction. The second has to
14 do with cure costs. As you know, there are
15 significant cure costs on a
16 restaurant-by-restaurant basis.

17 The cure costs consist basically of
18 delinquent fees to Burger King for royalty and
19 advertising over a number of months.

20 Burger King has been kind enough to
21 defer to those during the bankruptcy process.
22 Secondly, we have some delinquent rents for
23 landlords that were not paid a month or so before
24 bankruptcy. We are paying rents occurred during

1 the bankruptcy process.

2 And lastly, as in any transaction that
3 involves real estate, there is property taxes.
4 And at the point in time of sale, property taxes
5 will need to be bought current to an accrued
6 basis.

7 So those are the documents. So Pat,
8 if you can hand out one to each table. We'll give
9 you time after the end point through the process
10 here this morning to look and review these. And
11 I'll go through what these are.

12 These are documents that describe how
13 we are going about the process this morning. So
14 Pat is going to hand that packet out.

15 So let me walk through what we are
16 calling the 363 auction, the process structure
17 document with you. By the way, there will be
18 plenty of time before we get going for people to
19 ask questions.

20 So if you could hold your questions
21 until the end. Let me run through this, so
22 everyone understands how we are going to go about
23 operating through the course of this auction. We
24 are really down to Point-5. We have already done

1 introductions.

2 And by the way, I will stop and have
3 each of the bidders introduce themselves as well,
4 so we are all aware who the qualified bidders are.

5 So first off, we are at point Number-
6 5. This just says the debtor has the right to
7 establish reasonable, what I'm calling, ground
8 rules for the auction to determine what bid or
9 bids constitute the highest and otherwise best
10 offer for the assets of the debtor.

11 We have consultation parties. Those
12 consultation parties by court order consists of
13 Bank Of America, Burger King, and the committee.
14 Since Burger King is one of the qualified bidders,
15 Burger King acknowledges they no longer are a
16 consultation party. So that leaves us with two.

17 The debtor's assets will be auctioned
18 in whole or part. This is going to be a little
19 complicated, because it's possible that the assets
20 be sold in one bulk or two bulks. Or it's
21 possible there could be five or six bids that are
22 put together to be the highest and otherwise best
23 offer.

24 We are obligated to meet with the

1 consultation parties, which we will do, at least
2 at the end of the auction, if not during
3 intermediate points.

4 Some additional data that we want to
5 communicate, that's real important. The second
6 hand-out is going to speak to this. Is it's not
7 just about cash bid here.

8 It's also about any adjustments to the
9 APA. So certain buyers that have made changes to
10 the APA either favorable or unfavorable to the
11 estate will advise people whether that adds value
12 or detracts value.

13 So you could bid X number of dollars.
14 And there could be an add. Or because you deleted
15 a provision that took away value, or you deleted a
16 provision that added value. So we may make
17 adjustments. We'll tell you about that.

18 Also, we have the cures, okay? Burger
19 King cures, the landlord cures in the accrued
20 property taxes. So looking for the highest net
21 value, not necessarily just the highest price.

22 The point of that is that you can
23 increase value by eliminating cures or eliminating
24 liabilities to the estate.

1 It's important when the bidders bid
2 and we have six qualified bidders -- and I'll go
3 through those in a few minutes -- that not only do
4 you identify for the court reporter who you are,
5 who you represent, but also how many stores you
6 are bidding for and whatever price you are
7 offering, because that all enters into the mix in
8 terms of what the highest and otherwise best
9 bidder, if you will.

10 This is the order we intend to go to
11 today. We are calling this groupings. I'm not
12 sure what you should call it. But really
13 geographic groupings, if you will.

14 The groupings are Cleveland and
15 Youngstown considered together. The Illinois
16 restaurants are considered together. The Dayton,
17 Ohio restaurants are considered together.
18 Pittsburgh, Pennsylvania restaurants are
19 considered together.

20 Virginia. And Virginia includes two
21 North Carolina restaurants. So it's Virginia
22 slash North Carolina. All restaurants except for
23 Virginia and North Carolina. And then, lastly,
24 all the restaurants, okay? That's how the auction

1 will be.

2 A couple of things we need to advise
3 everyone about first has to do with the Virginia
4 grouping. We have one situation in Emporia,
5 Virginia. It's Restaurant-6600. Where we have a
6 convenience store that's located with the
7 restaurant.

8 That means they are in the same real
9 estate, same lease. It is impossible -- not
10 impossible. Highly difficult to decouple those.
11 So basically anyone that includes Virginia or at
12 least Emporia, Virginia in their bids, understand
13 that the trailing EBITDA on that convenience store
14 is \$223,000.

15 That was not included in the data room
16 as part of the restaurant level trailing EBITDA.
17 So it's kind of like an additional value you are
18 getting. We thought about how to break this off
19 separately. It doesn't work because of the lease.
20 And we are putting it in.

21 So anyone who has bid for Virginia,
22 understand that your restaurant level EBITDA has
23 just moved up by \$223,000 on a trailing basis.

24 In Cleveland, in the Cleveland slash

1 Youngstown grouping, we kind of have the opposite
2 situation. I believe all the bidders remained
3 aware we had a restaurant fire in Madison, Ohio,
4 Restaurant-3298.

5 That was three weeks ago. The
6 restaurant was pretty much totaled and destroyed
7 by the fire. That is going to be what we call
8 Matt Carpenter would call -- I would agree -- is a
9 scrape and rebuild.

10 Pretty much, you have to rebuild the
11 restaurant. That will take a long period of time,
12 at least a year, especially in the current
13 environment.

14 And so we are just pulling that out,
15 assuming we don't want to go through the hassle.
16 If you want to negotiate with that landlord, if
17 you want to define that geographic area, God bless
18 you. But we are going to reject that lease.
19 That's pulled out of the package.

20 Secondly, also in Ohio, we have a
21 restaurant in Warren, Ohio. It's Restaurant-8597.
22 We have a dispute with the landlord on this
23 situation. The landlord contends they terminated
24 the restaurant via petition.

1 We have some arguments that, that may
2 not be true, relative to how they went about the
3 notification of the termination. But we
4 determined that it isn't worth the risk. So we
5 are pulling that restaurant out as well, intending
6 to allow the landlord, uncontested to basically
7 terminate that lease.

8 The trailing on these two restaurants,
9 on the one with fire, Madison, Ohio, 3298, the
10 trailing restaurant level cash flow is \$91,000.
11 And on the Warren, Ohio restaurant, 8597, the
12 trailing restaurant level cash flow was
13 \$61,000,000.

14 Because of that, the debtors have
15 executed an amendment. \$61,000. Pardon me.
16 \$61,000.

17 Because of that, the debtors have
18 executed an amendment to the stalking-horse bid
19 with 13th Floor Capital that basically reduces the
20 bid for the non-Virginia restaurants from ten
21 million to nine-and-a-half million. Ten thousand
22 different from that. We rounded for the take of
23 this, if you will.

24 Lastly, in terms of unusual

1 adjustments. As you know, the debtor has engaged
2 a real estate firm called A&G. And they have been
3 working with the debtor, primarily with our CEO,
4 Matt Carpenter, to do -- negotiate lease savings
5 on restaurants. And they have approached all of
6 the 90 restaurants and all the various landlords.

7 And the lease savings are summarized
8 on this document. These are lease savings that
9 either agree with the amendment, signed amendment,
10 or alternatively are committed in writing by the
11 landlords, and we are in the process of
12 documenting.

13 And this chart basically summarizes
14 that. So this is by restaurant grouping,
15 Cleveland/Youngstown, et cetera.

16 And if you see down at the bottom, the
17 total number of restaurants that have agreed to
18 lease concessions is 41, of which 20 is in
19 Cleveland/Youngstown, seven in Dayton, seven in
20 Illinois, three in Pennsylvania/Pittsburgh, and
21 four in Virginia.

22 Obviously, the reason there is lower
23 in Virginia is Virginia is the most profitable for
24 the restaurants we have. So there is less

1 leverage, if you will, in Virginia to extract
2 lease concessions.

3 The second column over is basically
4 the estimated savings the first year, which
5 totaled \$216,000 across the whole restaurants.
6 And you see it's broken down. Cleveland by far,
7 the greatest at 284, and Virginia just over
8 \$100,000 -- \$108,000.

9 And then you see the relative
10 percentage savings just for those number of
11 restaurants. So an aggregate 12 percent there is
12 between 10 and 21, depending on the market.

13 The one additional thing that we'll
14 point out is in the stalking-horse bid, there was
15 a calculation done on estimated savings, lease
16 reduction savings, just for Virginia, not for
17 everything non-Virginia.

18 And that was up there, 21 million
19 dollars original stalking-horse bid, 1.5, 1.5
20 million was a function of assumed lease savings.
21 And we stretched that to be three times \$500,000,
22 assumed savings.

23 As you can see, the actual savings at
24 least today -- could get greater, but shouldn't be

1 much greater than this -- is only 108 versus
2 \$500,000.

3 Although there is no adjustment to the
4 APA, that effectively means we closed on the
5 stalking-horse bid with 13th Capital today. There
6 is no more bidding for anything else, that there
7 be a pretty significant reduction in value because
8 of that.

9 The reduction in value would be
10 \$1,173,000. That's calculated as \$500,000 less,
11 \$109,000 rounded times three. And that reduces
12 that bid from 21 million to 19 eight point seven.
13 And the same similar reduction just under Virginia
14 grouping as well.

15 All right. Page-3. Bidders. If you
16 are -- we are going to give you a little bit of --
17 I would say nudges here on things that you can do.
18 One of the things you can do if you are interested
19 in the Virginia grouping is you can delete this
20 annual lease savings adjustment.

21 We have had one bidder that's done
22 that already in their bid. But that's a
23 significant improvement in the net proceeds,
24 because it's cash, less cured costs, right?

1 This only applies to the Virginia
2 grouping. We also have an APA provision when
3 buyer buys all title five causes-of-action. Those
4 are basically primarily preferences. And agrees
5 not to prosecute these claims.

6 If you would like to delete that
7 provision from the APA, the debtor is ascribing a
8 value of \$100,000 to that. If you wish to delete
9 that term, understand that valuation has no
10 binding effect. It's only for the auction, only
11 for the auction, okay?

12 The sequence. We are intending to do
13 that. I think I've already talked about the
14 sequence. We are going to start with Cleveland.
15 And there is 28 restaurants in Cleveland.

16 The minimum bid is going to be
17 six-and-a-half million. These are all bids, based
18 either on what the stalking-horse has done, what
19 the overbid has done, or alternatively arbitrarily
20 struck by the debtor, based upon the cure costs,
21 if you will.

22 So Cleveland, 6.5, will be the
23 minimum, for 28 or less restaurants, up to 28.
24 Illinois, the minimum would be 1.745, based upon

1 up to ten restaurants or less. Dayton, 1.314. Up
2 to eight restaurants or less. Pittsburgh 700,000,
3 based upon four restaurants or less.

4 Virginia slash North Carolina, 22
5 million, which is a bid, less -- up to 40.
6 Everything other than Virginia, North Carolina,
7 which is up to 50 restaurants, minimum is 95. And
8 all restaurants in the whole package, right now
9 the bid would be 30 and-a-half-million, which is a
10 bid.

11 I know that's a little confusing to
12 explain each of those as opposed to expect
13 everyone to memorize all of those different
14 numbers. It even confuses me. It's somewhat
15 complicated, okay?

16 There also is a couple of additional
17 assets within each restaurant grouping that are
18 included. One is what we'll called spare
19 equipment. As you know, the debtor shut down 35
20 locations, two months, or a month before
21 bankruptcy.

22 So we have all of the equipment that
23 we have pulled out of those restaurants that are
24 basically kitchen equipment and a little bit more.

1 That equipment for those 35 restaurants is
2 identified on one of your charts, attached.

3 I believe it's the first attachment,
4 which listed -- which lists the spare equipment
5 that we have, where it is physically located on
6 this. The first column.

7 So wherever that equipment is
8 located -- wherever that equipment is located,
9 that's -- the person who buys that area, the
10 groupings, gets that equipment. We are not going
11 to be allocating equipment between territory.

12 So for example, the first group pods
13 are located in Elgin, Illinois. Presumably
14 somebody will buy them all. They will get that
15 equipment. Second group is in Dayton, Ohio.
16 Whoever gets Dayton, Ohio will get that equipment,
17 et cetera, et cetera. All right. Hopefully
18 everyone understand that.

19 We also have a small number of
20 vehicles that company operates. I think it's
21 seven, as I recall. Eight. Sorry. It's close.
22 Eight vehicles. Thank you, Pat.

23 And they will also be allocated based
24 upon the geographic list of the location they are

1 at. They are on the attached page, the last page,
2 called Nathan's Fans.

3 Whatever territory or whatever
4 grouping a buyer gets, they will get vehicles
5 within that geographic grouping. That debtor
6 ascribes the value based upon, I believe, Kelley
7 Blue Book of -- based on the year, age of the
8 vehicle, and how many miles we ascribe the value
9 of 103 million dollars for those vehicles to
10 become part of that.

11 \$103,000. I keep trying to bid it up.
12 \$103,000. Whatever grouping. And again, this
13 valuation is for auction purposes only. Sorry
14 about being confused.

15 Recognize that the way an auction
16 works in bankruptcy is that there will be
17 eventually declared a winning bidder or bidders.
18 It could be multiple. And a back-up bidder or
19 bidders.

20 Those parties are both bound until the
21 bid -- winning bidder closes or the winning bidder
22 doesn't close. And we go to the back-up bidder.
23 They are closed. They are both basically bound
24 for purposes of this deal.

1 The auction is going to be an open
2 format. What that means is we have -- I'll go
3 through this in a second -- six qualified bidders.
4 Everyone will be invited to bid if they choose for
5 anything they want. They are a qualified bidder
6 as far as the debtor is concerned.

7 You only bid for Virginia, but you
8 decide today you really want Dayton, Ohio, that's
9 Okay. We'll let you bid for Dayton, Ohio, all
10 right? So once you are qualified, you can bid on
11 any asset grouping that you want.

12 We are going to go sequentially to
13 each table. And you can either bid or pass if you
14 want. Bid increments. Bid increments will be
15 \$100,000 of the largest groupings. The largest
16 groupings will be Cleveland/Youngstown; Virginia,
17 including North Carolina; all restaurants, except
18 for Virginia and North Carolina; and then all
19 restaurants.

20 The others, which include Illinois,
21 Dayton, Ohio, and Pittsburgh, the bid increments
22 will be \$50,000.

23 All right. Last thing and then we'll
24 take questions. I think we have already said the

1 court reporter is going to be present here.

2 It's important when you bid that not
3 only do you state your name so the court reporter,
4 Amanda, gets your name, but the name of your
5 bidder, the name of the firm you are bidding for,
6 the bid amount and the number of restaurants you
7 are bidding for.

8 We may want to drill down on the
9 specific restaurants if we get close between two
10 bidders, because there are a difference between
11 restaurants. But right now, all we care about how
12 many restaurants is included in your bid, whether
13 it's the full group within that grouping or it's
14 half or some portion like that.

15 In terms of breaks, we will probably
16 break once or twice during the day, and huddle, if
17 you will, with the consultation parties.

18 If a bidder would like a break, just
19 ask, and we'll try to accommodate you as best as
20 we can. Although we are not going to break seven
21 times during the day, just because people want to
22 make phone calls.

23 We'll try to accommodate you. We do
24 have lunch coming pretty close. It's only an

1 hour-and-a-half until 12:30. And if we are still
2 here, we'll have dinner.

3 At the conclusion of the auction, the
4 debtor's team will meet with each of the
5 consultation parties. We'll decide jointly -- or
6 at least we'll consult with the parties, deciding
7 who the winning bidder or bidders are, the break
8 up bidders. And then we are going to ask for a
9 couple of confirmations on the record.

10 What we are going to ask that they
11 including bidder and back-up bidders, that they
12 did not engage in any collusion. Sorry. Tough
13 word to pronounce. Collusion during the process
14 in whether or not they had any affiliation with
15 the debtor or the debtor's management or
16 ownership. And then we'll declare the winner of
17 the auction.

18 That is the long intro to this whole
19 thing. Let me tell you what this last document
20 is, and then we'll take questions.

21 Every group got a copy of this. This
22 basically is the cures in aggregate format by
23 market. And cures, as I said earlier -- we're
24 calling property taxes cures. I know it's not

1 quite cures, but it's similar.

2 That we have cures with rent, because
3 of unpaid rent, either pre-bankruptcy or during
4 that bankruptcy. We have cures with Burger King,
5 because of deferred payments. And we had to
6 estimate the future payments, because we don't
7 know what the sales are going to be, going forward
8 to closing.

9 And then we have accrued property
10 taxes, which vary somewhat by geographic area.
11 Certain property taxes are paid more for than
12 others, depending on the geography. So you can
13 see an aggregate, where everything shakes down.

14 Page-2 are the primary bids. Not the
15 only bids, because we have more than this. So you
16 can see, first off, the stalking-horse bid with
17 13th floor capital for 77 restaurants. You see
18 what the purchase price is, just under
19 \$29,000,000, as adjusted. Less cure costs with a
20 net price of 13, 353.

21 That's how we are going to evaluate
22 the bids, based upon that number, okay? The next
23 two are what's bid for Virginia. And you can see
24 that one of the alternate bidders, DC Burger, has

1 bid significantly more, that is heavily driven by
2 change in terms as well as a higher price, okay?

3 And the cures are less, because they
4 have less restaurants. The non-Virginia group,
5 you can see the alternate bidder, one of the
6 alternate bidders, Karali Group, their bid is
7 actually lower because -- primarily because of the
8 store differential.

9 They are taking all the stores, where
10 13th Floor is only taking 13 less than all the
11 stores.

12 And then lastly, we have two bids from
13 Burger King. Actually, this is the 2.1 million on
14 Illinois. This is the number -- it's not the
15 actual number. It's 1.7 million dollars. We'll
16 deal with that later.

17 So that's really just -- the last page
18 is just the Cleveland/Youngstown market, where we
19 think it's probably the most complicated market.
20 For those that are interested in
21 Cleveland/Youngstown, we decided to detail out
22 store-by-store of the detail cure costs.

23 If anyone wants the same detail on
24 Virginia, on Dayton, on Pittsburgh, on Illinois,

1 no problem. We'll e-mail that to you and give it
2 to you. But this is probably where the most
3 complication is in my mind.

4 All right. That was that long, long,
5 long, long lead-up. Let's take questions. And
6 then we are going to introduce the qualified
7 bidders. Yes, ma'am?

8 MS. GIGLIO: Hi. Cindi Giglio,
9 representing Karali group. Couple of questions.

10 MR. DOOLEY: Amanda, can you hear her?

11 THE COURT REPORTER: Yes.

12 MS. GIGLIO: Couple of questions. First,
13 if you pass, are you out? How many passes does
14 each bidder get?

15 MR. DOOLEY: In general, what I do is one
16 pass is free, the second pass you are out.

17 MS. GIGLIO: Okay. And are you going to
18 announce -- because people are bidding on
19 different groupings or buckets, are you going to
20 announce the leading bidder for each bucket?

21 MR. DOOLEY: Yes. The way we are going to
22 do it is after each section is concluded, we will
23 announce the leading bidder and the back-up bidder
24 for that section. They are not the winning bidder

1 yet, because we have to consult. But yes, we'll
2 declare at that point in time a leading bidder.

3 MS. GIGLIO: Right. That's at the end.
4 How are we starting? Are you just starting at a
5 number?

6 MR. DOOLEY: We are going to start with a
7 suggestive number for every grouping.

8 MS. GIGLIO: How do we know who you are
9 going to open the bidding at?

10 MR. DOOLEY: I'll point out who the bidder
11 is.

12 MS. GIGLIO: Thank you.

13 MR. DOOLEY: Paul, you have your hand up.

14 MR. BATTISTA: I just have a few
15 questions. Paul Battista, representing Burger
16 King Company, perhaps following up on some of
17 these questions.

18 So for example, starting with
19 Cleveland/Youngstown, you go around the room. If
20 there is only one bid for Cleveland/Youngstown --

21 MR. DOOLEY: We'll have no back-up bidder.

22 MR. BATTISTA: Will you come back to
23 Cleveland/Youngstown at the end?

24 MR. DOOLEY: We'll reserve the right to do

1 that. We'll reserve the right to do that. But I
2 think, in general, once we have a winning bidder
3 for the territory, we are not going to give people
4 the last and final offer at that point. That's
5 not how I typically do this.

6 MR. BATTISTA: So someone wouldn't know
7 whether they wanted to come back to
8 Cleveland/Youngstown based on where they ended up
9 on all the other bids?

10 MR. DOOLEY: That's correct.

11 MR. BATTISTA: Okay. Secondly, can you
12 identify -- can you give me who the qualified
13 bidders are?

14 MR. DOOLEY: We are going to do that here
15 after the questions. We are going to go around
16 and ask everyone to introduce themselves. Franco?

17 MR. FINIZIO: For the record, Gianfranco
18 Finizio, Kilpatrick Townsend & Stockton, counsel
19 for the creditors' committee.

20 Not really a question. I just want to
21 state on the record that the committee was not
22 consulted regarding certain of the rules of the
23 road of the auction and the committee reserves all
24 of its rights.

1 MR. DOOLEY: Thank you. Anyone else have
2 a question? Yes, sir.

3 MR. MCNULTY: Kind of a two-part question.
4 My name is Emmett McNulty. I'm with General
5 Management Group.

6 We are looking at this in two pieces.
7 One was there was an exclusion made in the final
8 APA that adjustments could be made to the purchase
9 price. What happens if a contract is not assumed
10 after the bid? Does that change a purchase price
11 of a successful bidder?

12 MR. DOOLEY: I don't understand. Give me
13 an example.

14 MR. MCNULTY: So say they -- someone bids
15 on a whole package. They are awarded all of the
16 restaurants.

17 MR. DOOLEY: Okay.

18 MR. MCNULTY: At the end, some of the
19 restaurants that are on their inclusion list, they
20 say, "Oh, we are actually going to exclude. We
21 are not going to assume the lease. We are not
22 going to assume the franchise agreement." Does
23 that adjust their purchase price?

24 MR. DOOLEY: It does if you tell us during

1 the auction. It doesn't if you do it after the
2 fact.

3 MR. MCNULTY: Okay. So at the end of the
4 auction, it's a fixed-purchase price if they
5 assume --

6 MR. DOOLEY: Exactly. You can change --
7 you are going to buy less at the end if the price
8 doesn't change.

9 MR. MCNULTY: Okay. Second part to that
10 question on the same lines. So as we are looking
11 at some of these cure costs, can we exchange cure
12 costs for value in our bids?

13 MR. DOOLEY: Absolutely.

14 MR. MCNULTY: All right. And then kind of
15 drill down one step further on that.

16 Part of the way we constructed our
17 offer in our bid, we said, hey, we will settle
18 outside of the court. So it would be removed from
19 the debtor's responsibility to take certain cure
20 costs. Would that be counted dollar-for-dollar in
21 our bid?

22 MR. DOOLEY: Absolutely. If you are going
23 to pay -- I'm sorry. Just give me a second.

24 MR. MCNULTY: Sure.

1 MR. DOOLEY: We have an issue about how to
2 handle this mechanically. So just give us a
3 second.

4 Counsel is going to talk about that.
5 Before we start, we are going to answer them.
6 It's not a straightforward answer on that. Any
7 other questions before we get going? We are not
8 going to wait until they come back. Anyone else?
9 Yes?

10 MS. SCHULTZ: Sarah Schultz, Akin, Gump,
11 Strauss & Feld on behalf of Restaurant
12 Consultants. When you said "one pass," one pass
13 per grouping --

14 MR. DOOLEY: Yes.

15 MS. SCHULTZ: Or one pass for the auction?

16 MR. DOOLEY: One pass per grouping. So
17 let's just do a hypothetical. We go around.
18 There are six qualified bidders. Two of them pass
19 once. They come back. They have a choice to pass
20 or bid. If they pass a second time, they are out
21 for that grouping.

22 MS. SCHULTZ: All right. And I think we
23 talked about this with you prior to the auction
24 via e-mail. But we want to make sure the rules of

1 the road are clear with us talking to other
2 bidders. We want to try to combine the bid to
3 drive value.

4 MR. DOOLEY: At least right now I think
5 the answer is people need to bid individually as
6 opposed to combined value. If there is an option
7 to do that, then that makes sense to you, you
8 probably should ask for a recess for that reason
9 if you would like to chat with another bidder, and
10 we'll consider whether we should grant that, Sarah.

11 MS. SCHULTZ: Okay.

12 MR. DOOLEY: But I think that's a -- we
13 don't want to encourage collusion. On the other
14 hand, we do understand that there might be pieces
15 that go together that isn't really collusive that
16 creates value for the estate.

17 All right. As soon as the attorneys
18 come back, we'll answer your question. The cures
19 are kind of complicated. Yes, Paul?

20 MR. BATTISTA: I'm sorry. I didn't want
21 to interrupt you. Paul Battista again. When
22 everyone comes back and is ready to go, I would
23 like to request a break before you start the
24 actual auction.

1 And I want to speak to Mr. Rego and
2 perhaps somebody else, just to get clarity on
3 giving the rules you just described.

4 MR. DOOLEY: Fair enough. Yes, John?

5 MR. NORTHERN: John Northern for DC
6 Burger. I just want to give a request for one of
7 those great colored-coded charts for the cure
8 costs for the Virginia, North Carolina stores.

9 MR. DOOLEY: You would like one of those?

10 MR. NORTHERN: Yes.

11 MR. DOOLEY: Just give your -- anyone who
12 wants more detail on this, just give a business
13 card to Pat.

14 MR. DOOLEY: Amanda, Cindi asked -- Cindi,
15 why don't you state your name for the record?

16 MS. GIGLIO: Sure. Cindi Giglio from
17 Katten, representing Karali.

18 My question was, my client has
19 submitted a bid for various groupings right now.
20 And what I'm trying to get clarification on is
21 whether or not that bid, which I have been told is
22 the leading bid for that group of stores, if I --
23 can I bid on other parts right now? And would I
24 still be obligated to close on my bid that I

1 submitted for the auction?

2 I'm just unclear on how some of the
3 parts and the pieces are working.

4 MR. DOOLEY: So Cindi, the answer is if
5 you are a qualified bidder, you can bid on
6 whatever you choose. We are not qualifying you
7 for one specific grouping. You are qualified for
8 the auction. You can bid and bid on everything or
9 nothing.

10 To the extent that you have already
11 submitted a bid or submit a bid, you are bound by
12 all of those bids.

13 MS. GIGLIO: Got it.

14 MR. DOOLEY: So for example, let's say
15 that you are the qualified or the leading bidder
16 for Virginia. No one else bids on Virginia. You
17 have Virginia. And you decide to bid for Dayton
18 as well. You get Dayton, too.

19 MS. GIGLIO: Got it. So just bringing it
20 back to my personal situation, I am bound on the
21 bid that I put forward with the deductions we
22 discussed for the stores that have been removed,
23 and if I wanted to bid on anything, it would be
24 extra?

1 MR. DOOLEY: Absolutely.

2 MS. GIGLIO: And if I overbid on my
3 stores, I can bid on pieces.

4 MR. DOOLEY: Absolutely correct.
5 Absolutely correct.

6 MS. GIGLIO: Okay.

7 MS. JOHNSON: Apology for that delay,
8 while we confer with the consultation parties.
9 Ericka Johnson, Womble Bond Dickinson.

10 To answer the last question about cure
11 costs, the more the APA has with a debtor will pay
12 cure costs. And that's going to be part of a
13 purchase price if you want to include those
14 liabilities and the value that you are getting,
15 you can increase the purchase price by that cure
16 cost.

17 MR. DOOLEY: Which accomplishes the same
18 thing.

19 MS. JOHNSON: It accomplished the same
20 thing, but it's not going to be assume liability.
21 You won't structure it that way. It needs to
22 stick to the same way as EPA, where the debtor
23 will assume liabilities and a payment on those
24 cures.

1 MS. GIGLIO: Sorry. Cindi Giglio. So
2 just to clarify, that means you actually are not
3 using cure costs as currency? It's really just
4 purchase price?

5 MS. JOHNSON: Correct.

6 MS. GIGLIO: Okay.

7 MR. DOOLEY: Does that answer your
8 questions? Thank you. Anyone else? All right.
9 We have one clarification. Excuse me, everyone.

10 I'm Dan Dooley. There is one
11 exception to the rule here. There are probably at
12 least one bidder that is bidding more for
13 locations than Burger King operations.

14 In that case, if the bidder does not
15 want Burger King, basically the franchise
16 agreements, we'll make an adjustment, not of the
17 bid, but the valuation of the bid, if you are
18 going to reject the Burger King bid, because that
19 reduces the cure costs to the debtor.

20 MR. MCNULTY: What is the valuation
21 described at?

22 MR. DOOLEY: The valuation is on the
23 sheet.

24 MR. MCNULTY: So they would pay the same

1 and then you would reimburse them?

2 MR. DOOLEY: No, no, no. In terms of what
3 the debtor has to cover in terms of the cure
4 costs, and that price to the debtor.

5 So theoretically, let's have
6 theoretically, you are buying one restaurant,
7 okay? And the cure costs of them are \$200,000.
8 You bid \$300,000. Of that cure cost, let's say,
9 \$100,000 is Burger King franchise referrals.

10 If you keep the Burger King franchise
11 agreement, assume the sign, your net price is 300,
12 minus 200, 100. But if you choose to not use --
13 not assume the sign, essentially have the debtor
14 reject that contract, your net price is 300 minus
15 100 net, 200.

16 It's an evaluation issue, valuation
17 issues, not a bid issue.

18 MR. MCNULTY: Okay. So the bid remains
19 the same?

20 MR. DOOLEY: The bid remains the same,
21 other than you strike the assumption of the Burger
22 King franchise.

23 MR. MCNULTY: Okay. So the amount to the
24 debtor increases actually, right?

1 MR. DOOLEY: Correct. Without you
2 changing your price, just by eliminating that
3 liability for the debtor.

4 MR. MCNULTY: Okay.

5 MR. DOOLEY: Yes, Paul?

6 MR. BATTISTA: Thank you. On that exact
7 example, would you consider the post petition
8 charges of the Burger King agreements still be
9 paid Chapter-11 taxes expenses, although
10 technically not cures?

11 MR. DOOLEY: We are not going to answer
12 that right now.

13 MR. BATTISTA: Trying to figure out how
14 you are going to value a bid. That's why I'm
15 asking.

16 MR. WARD: It's on us to dispute admin
17 costs for Burger King. That's not in terms of
18 valuing bids.

19 MR. BATTISTA: So your answer is you don't
20 know?

21 MR. WARD: I think we have an idea.

22 MR. DOOLEY: Okay. Let's do
23 introductions. Obviously, if you have questions
24 up during the day, you know, just say, "Dan, we

1 want to ask."

2 Let's start with the table to the
3 right. R.J, do you want to introduce yourself
4 quickly.

5 MR. DOURNEY: R.J. Dourney. I'm the
6 independent director for Thomas King. I was
7 brought in prepetition just prior to the start of
8 the process.

9 MR. DOOLEY: Matt?

10 MR. CARPENTER: Hi. Matt Carpenter. I'm
11 a member of TOMS King, LLC. And I'm the CEO of
12 TOMS King Services.

13 MR. DOOLEY: Thanks, Matt. Josh?

14 MR. YOUNG: Josh Young with 13th Floor
15 Capital.

16 MR. PRESCOTT: Adam Prescott with
17 Bernstein Shur. Counsel for 13th Floor.

18 MR. NORTHERN: John Northern. Counsel
19 for DC Burger.

20 MR. DOOLEY: Sarah?

21 MS. SCHULTZ: Sarah Schultz from Akin Gump
22 Strauss Haur & Feld on behalf of Restaurant
23 Concepts.

24 MS. CROW: Sarah Crow, representative from

1 Restaurant Concepts.

2 MS. STRATTON: Terri Stratton, Hilco
3 Corporate Finance, representing Restaurant
4 Concepts.

5 MS. GIGLIO: Cindi Giglio, with Katten
6 Muchin Rosenman on behalf of the Karali group.

7 MR. FLEMMING: Steven Flemming.

8 MR. BATTISTA: Paul Battista on behalf of
9 Burger King Company. To my left is Peter Perdue,
10 Burger King Company. And his left Jose Padilla.

11 MR. MCNULTY: Emmett McNulty with General
12 Management Group.

13 MR. DeBORDE: Frank DeBorde on behalf of
14 Bank Of America. Mike Verdisco, our financial
15 advisor. John McDiffie.

16 MR. FINIZIO: Gianfranco Finizio,
17 Kilpatrick Townsend, counsel for the creditor's
18 committee. I'm jointed by my partner, David
19 Posner, Lee Rooney, financial advisor to the
20 committee. We are also joined by the Chairperson
21 of the committee, Ben Jarratt, and Chris Jones.

22 MR. DOOLEY: Super. Welcome, everyone.
23 Okay. We are going to go around the room and do a
24 couple of things with each bidder.

1 There is six qualified bidders. And
2 make sure we identify who they are. One thing I
3 would like to do is I would like to have one
4 spokesperson for each bidder, so we won't have a
5 free-for-all at each table.

6 So let's start with 13th Floor. Do
7 you guys understand the rules of the auction?

8 MR. YOUNG: Yes.

9 MR. DOOLEY: Who is going to be the
10 spokesperson?

11 MR. YOUNG: I'll speak.

12 MR. DOOLEY: Okay. So Josh will speak.

13 MR. NORTHERN: I'm John Northern, and I'll
14 speak for DC Burger.

15 MR. DOOLEY: Do you guys understand the
16 rules?

17 MR. NORTHERN: We do.

18 MR. DOOLEY: Super. Sarah?

19 MS. SCHULTZ: Sarah Schultz. We
20 understand the rules. And I will speak for
21 Restaurant concepts.

22 MR. DOOLEY: Cindi?

23 MS. GIGLIO: We understand the rules. I
24 will speak for Karali.

1 MR. DOOLEY: Super. Paul?

2 MR. BATTISTA: I will speak for Burger
3 King Company. I think I understand the rules. I
4 may have more questions.

5 MR. DOOLEY: I'll try to get my units of
6 measurement right for the rest of the day, Paul.

7 MR. BATTISTA: I think we understand the
8 rules. I will be the speaker.

9 MR. DOOLEY: All right. Super. With
10 that, it's time to get going. We are going to
11 start first.

12 MR. BATTISTA: I asked if we could take a
13 quick break.

14 MR. DOOLEY: That's right. Why don't we
15 take ten minutes? Ten is it? It's 11:15. We are
16 going to start at 11:25. Thank you, Paul.

17 - - -

18 (Whereupon, a short break was
19 taken.)

20 - - -

21 MR. DOOLEY: All right, guys. All right.
22 Are we ready? Back on the record, please.

23 I think we have proven one thing. Any
24 break you take is going to be three to four times

1 as long as you give people for the break. Big
2 surprise to everyone in this room, probably.

3 All right. We are going to start with
4 Cleveland and Youngstown and go through the
5 individual groupings before we get to the large
6 groupings. And so the sequence of all of these
7 bids, just so understand, is we are going to go
8 subsequently. Bidder by bidder. Across this
9 way. Across this way and end with the group at
10 the end.

11 That's how we are going to do every
12 single grouping. So we are going to start with
13 Cleveland and Youngstown. We are going to assumes
14 the terms are the same under submitted APA, unless
15 you tell us otherwise, right?

16 You tell us otherwise you are going to
17 make a change, assume this, delete that,
18 otherwise, we are going to assume the terms are
19 the same. Cleveland and Youngstown, we'll start
20 with 13th Floor. Josh, what would you like to
21 bid?

22 MR. YOUNG: We'll bid six-and-a-half
23 million.

24 MR. DOOLEY: Six-and-a-half-million.

1 Second bidder is JC Burger. What would you like
2 to do?

3 MR. NORTHERN: Pass.

4 MR. DOOLEY: We are going to Sarah,
5 Restaurant Concept, six-and-a-half million for
6 Cleveland and Youngstown.

7 MS. SCHULTZ: We will bid 5-25 for four
8 stores.

9 MR. DOOLEY: Five point five for four
10 stores?

11 MS. SCHULTZ: 5-25.

12 MR. DOOLEY: 5-25 for four stores. Going
13 to take us a second here. Sarah, can I ask you to
14 specify what four stores they are, please?

15 MS. SCHULTZ: Yes. Store-9830.

16 MR. DOOLEY: 930?

17 MS. SCHULTZ: 9830. Store-5535.

18 MR. DOOLEY: 5535?

19 MS. SCHULTZ: 5535. Store-6051 and Store-
20 23534.

21 MR. DOOLEY: I missed the second one
22 again. What was the second one?

23 MS. SCHULTZ: 535.

24 MR. DOOLEY: There it is. I see it. Give

1 us a second. Take off the record.

2 - - -

3 (Whereupon, the following discussion was
4 held off the record.)

5 - - -

6 MR. DOOLEY: Back on the record, Amanda.
7 So I'm going to go through what we get to be the
8 numbers, so you would agree or understand the
9 difference.

10 At 6.5 million dollars this bid by
11 13th Capital, we see cure costs for Cleveland
12 Youngstown to be roughly 5.2 million dollars.
13 That's 1.3 million dollars. Do you agree with
14 that? Give you a second.

15 13th Floor bid for Cleveland and
16 Youngstown, 6.5 million dollars. If you look at
17 the sheet we handed out earlier, the total cure
18 costs BK Burger King Company, rents, and incurred
19 property taxes for Cleveland/Youngstown is roughly
20 5.2 million.

21 It's a little bit more than that. By
22 a couple of thousand dollars. That creates the
23 net value of the estate of 1.3 million dollars,
24 round numbers.

1 MS. SCHULTZ: We agree.

2 MR. DOOLEY: Okay. And Sara, your bid
3 again was 525. And we calculate that the cure
4 costs, assuming there is no Burger King cures to
5 be 336. There is obviously an issue with some of
6 the Burger King cures. So we get \$200,000. So
7 for us, it's a million dollars alike. Do you
8 agree?

9 MS. SCHULTZ: We agree that it's less than
10 their bid.

11 MR. DOOLEY: So the way this bid might be
12 viable is if some or all of the restaurants you
13 are interested in are included in the leader
14 bidding bid; is that correct?

15 MS. SCHULTZ: Or as a back-up bid.

16 MR. DOOLEY: Or as a back-up bid. And
17 again, just to qualify 5-25, and excluded
18 restaurants. I have them in a different order,
19 Sarah, on my sheet. 6051, 9830, 23534, 5535. So
20 not an overbid, but it's a back-up bid.

21 MS. SCHULTZ: Correct.

22 MR. DOOLEY: Okay. Good enough. The bid
23 on the table is still 6.5, Restaurant Management,
24 Emmett?

1 MR. MCNULTY: We are passing.

2 MR. BATTISTA: One second.

3 MR. DOOLEY: Of course.

4 MR. BATTISTA: Burger King Company will be
5 on Cleveland/Youngstown five million, 112.

6 MR. DOOLEY: For all of the restaurants or
7 not?

8 MR. BATTISTA: All of the restaurants.
9 And we will waive one-half of our cure, which is
10 about 1.6 million dollars.

11 MR. DOOLEY: One more time, Paul.

12 MR. BATTISTA: Cash of five million, 112.

13 MR. DOOLEY: Five, 112?

14 MR. BATTISTA: And we will waive 1.6
15 million of our cure, which is as we understand it.
16 Will bring our total bid would be six million,
17 750. Combine those two pieces.

18 MR. DOOLEY: The way you calculate it is
19 that you believe that you added \$250,000 to the
20 gross bid because of the waiver of the half of the
21 cures of the Burger King?

22 MR. BATTISTA: Yes, sir. Give us a
23 second. Off the record, please, Amanda.

24 - - -

1 (Whereupon, a short break was
2 taken.)

3 - - -

4 MR. DOOLEY. Okay. Back on the record. I
5 want to go back to you, Josh. I want to go back
6 to your clarification. Your bid is 6.5 million
7 dollars. There are 28 restaurants of the
8 Cleveland/Youngstown market. Does it include 28
9 restaurants or is it less than the number of
10 restaurants?

11 MR. YOUNG: I think it is now 26.

12 MR. DOOLEY: I'm sorry. 26 after the two.
13 The fire restaurant and the police restaurant.
14 They include 26.

15 MR. YOUNG: 26.

16 MR. DOOLEY: Okay. Great. And Paul, you
17 are talking about the same 26 restaurants for the
18 Burger King Company?

19 MR. BATTISTA: 27, just excluding the one
20 with the fire. Excluding the one with the fire.

21 MR. DOOLEY: Are you including the one
22 where we believe we lost it because of the lease?

23 MR. BATTISTA: Give me one second.

24 MR. DOOLEY: Sure. Just for everyone's

1 clarification, that is Store-8597.

2 MR. BATTISTA: 8597?

3 MR. DOOLEY: Correct.

4 MR. BATTISTA: 26. We'll go with that.

5 MR. DOOLEY: So we do certify that as
6 roughly \$250,000 higher. It's a little bit
7 complicated. But for the sake of this argument,
8 we are going to assume it's six million, 750. I
9 know it's not that, but there is cure waiver.
10 Just to make it simple, if somebody else wants to
11 do something a little complicated, we'll take a
12 second.

13 MR. BATTISTA: That's why I wanted to tell
14 you what two components.

15 MR. DOOLEY: I understand. Sarah, did you
16 have a question?

17 MS. SCHULTZ: I did. What are you
18 calculating the net to that estate to be under
19 that bid, please?

20 MR. DOOLEY: I think it's 12, 80, 58. Is
21 that what it was, Pat? It has to be more than
22 that. It has to be one five. Give us a second,
23 Amanda, again, off the record, please.

24 - - -

1 (Whereupon, the following
2 discussion was held off the record.)

3 - - -

4 MR. DOOLEY: Back on the record, Amanda.
5 First off, we have a correction.

6 Because we believe those two stores of
7 the cures, that's one point five million. Burger
8 King Company is a revised bid, and that's one
9 point seven, five million, so it's 250 better. So
10 195. All right. Let's move on to Karali group.
11 Cleveland/Youngstown?

12 MS. GIGLIO: No. We are going to pass.

13 MR. DOOLEY: You are going to pass? Okay.
14 Back to the beginning. 13th Floor, would you like
15 to bid again?

16 MR. BATTISTA: Pass.

17 MR. DOOLEY: Sarah, at Restaurant
18 Concepts?

19 MS. SCHULTZ: We'll pass.

20 MR. DOOLEY: Emmett?

21 MR. MCNULTY: Pass.

22 MR. DOOLEY: Paul?

23 MR. NORTHERN: I don't think I want to out
24 bid myself.

1 MR. DOOLEY: Cindi, second time? You get
2 two changes.

3 MS. GIGLIO: Still passing.

4 MR. DOOLEY: Okay. Second time around.
5 Josh?

6 MR. YOUNG: Pass.

7 MR. DOOLEY: You guys have passed twice.
8 Sarah do you want to pass or do you want to bid?

9 MS. SCHULTZ: Pass.

10 MR. DOOLEY: And lastly, Emmett, do you
11 want to pass or bid?

12 MR. MCNULTY: Pass.

13 MR. DOOLEY: Okay. So everyone has passed
14 twice. The leading bidder -- this is not the
15 winning bidder on this group of restaurants, which
16 is Cleveland and Youngstown, is the Burger King
17 group, Burger King Company rather.

18 The back-up bidder in this situation
19 is 13-4. And the bid as just to clarify is --
20 help me here. Gross bid first and then what they
21 are willing to do.

22 MR. BATTISTA: I can repeat. The cash
23 portion is five million, 112, waiving one-half of
24 our cures, which we estimate to be 1.64 million.

1 MR. DOOLEY: Got it. And back to the
2 estate then is 1.7 million dollars.

3 MR. BATTISTA: 1.7 five.

4 MR. DOOLEY: Fair enough. So leading
5 bidder, back-up bidder, move on. We are going to
6 go to Dayton, next. Dayton, Pittsburgh, and
7 Illinois before we go to -- I guess Burger King is
8 after that.

9 So let's go to Dayton. Let's see. I
10 believe the leading bidder on Dayton I believe was
11 Burger King Company. And your bid on Dayton I
12 believe was \$1,314,000. Paul, is that correct?

13 MR. BATTISTA: That is correct.

14 MR. DOOLEY: Super duper. So we'll go
15 with the same sequence. Cindi, would you guys
16 like to bid with your group?

17 MS. GIGLIO: We would like to pass.

18 MR. DOOLEY: Go back to the beginning, I
19 believe. 13th Floor, would you like to bid on
20 Dayton?

21 MR. YOUNG: Pass.

22 MR. DOOLEY: DC Burger, would you like to
23 bid on Dayton?

24 MR. NORTHERN: Pass.

1 MR. DOOLEY: Sarah?

2 MS. SCHULTZ: Pass.

3 MR. DOOLEY: So with that, everyone has
4 passed, except Burger King. Pass Burger King last
5 time, Cindi?

6 MS. GIGLIO: Still pass.

7 MR. DOOLEY: Still pass? 13th floor?

8 MR. NORTHERN: Pass.

9 MS. SCHULTZ: Pass.

10 MR. DOOLEY: So we only have one pass for
11 Dayton. It's at Burger King Corporation,
12 \$1,314,000. They are the leading bidder and we
13 have no back-up bidder, correct?

14 All right. Moving on to the third
15 category, which is Pittsburgh, Pennsylvania, there
16 is no bidder for Pittsburgh, Pennsylvania. The
17 debtor has arbitrarily decided the minimum bid
18 will be \$700,000. That's based on the cure if you
19 will.

20 So we are going to start to go around
21 the circles on this, go around in sequence. 13th
22 Floor, would you like to bid on Pittsburgh?

23 MR. YOUNG: Pass.

24 MR. DOOLEY: John?

1 MR. NORTHERN: Pass.

2 MR. DOOLEY: Sarah, would you like to bid
3 on Pittsburgh?

4 MS. SCHULTZ: Can we have a minute,
5 please?

6 MR. DOOLEY: Of course. Off the record,
7 please.

8 - - -

9 (Whereupon, the following
10 discussion was held off the record.)

11 - - -

12 MR. DOOLEY: Back on the record, Amanda.
13 Give us a second here. So Sarah, Restaurant
14 Concepts, back to you, please.

15 MS. SCHULTZ: Restaurant Concepts bids
16 \$220,000 for Store-4192 and Store-12789.

17 MR. DOOLEY: Again.

18 MS. SCHULTZ: \$220,000.

19 MR. DOOLEY: \$220,000 for the two stores.

20 MS. SCHULTZ: 4192 and 12789.

21 MR. DOOLEY: Okay. Give us a second off
22 the record.

23 - - -

24 (Whereupon, the following

1 discussion was held off the record.)

2 - - -

3 MR. DOOLEY: All right. Back on the
4 record.

5 So Sarah from Restaurant Concepts, if
6 we take a look at this, and we say, if we take a
7 look at the accrued property taxes, the rent
8 delinquency that needs to be cured in the
9 post-petition Burger King costs, we calculate
10 \$217,000 for that; is that what you calculated?

11 MS. SCHULTZ: Yes.

12 MR. DOOLEY: Therefore, with \$3,000 to the
13 estate, the minimus amount of money, but it is
14 positive. It is positive; so therefore, it does
15 qualify a leading bid.

16 MS. SCHULTZ: Thank you.

17 MR. DOOLEY: Super. Emmett, would you
18 like to bid on Pittsburgh?

19 MR. MCNULTY: Pass.

20 MR. DOOLEY: Paul, at Burger King, would
21 you like to bid on Pittsburgh?

22 MR. BATTISTA: Pass.

23 MR. DOOLEY: Cindi, with Karali Group,
24 would you like to bid on Pittsburgh?

1 MS. GIGLIO: I need a minute, please.

2 MR. DOOLEY: Of course. Off the record,
3 Amanda.

4 - - -

5 (Whereupon, the following
6 discussion was held off the record.)

7 - - -

8 MR. DOOLEY: Back on the record, everyone.
9 Cindi, before you go -- before you go, we have
10 been asked to clarify something with Restaurant
11 Concepts.

12 Sarah, at least as we understand it,
13 your client is -- does not wish to maintain Burger
14 King operations, but wants to use those locations
15 for other purposes; is that correct?

16 MS. SCHULTZ: That's correct.

17 MR. DOOLEY: There are restaurant
18 furnishings within the Pittsburgh area. Are those
19 included or not included in your bid?

20 MS. SCHULTZ: Not the off-site ones. We
21 had an enumerated list of equipment attached to
22 our purchasing agreement.

23 MR. DOOLEY: The equipment that's inside
24 the stores, I'm not referring to. I'm referring

1 to the equipment --

2 MS. SCHULTZ: No. We don't want it.

3 MR. DOOLEY: You don't want that, so that
4 will not be part of your bid?

5 MS. SCHULTZ: Correct.

6 MR. DOOLEY: Thank you for clarifying.
7 Cindi with Karali Group.

8 MS. GIGLIO: Okay. So I have a bid for
9 Pittsburgh, minus Stores-4192 and 12789, which, if
10 you can just check my math, I believe those are
11 the stores that Sarah is bidding on. And then
12 plus the Cleveland/Youngstown stores.

13 MR. DOOLEY: We are not doing that right
14 now.

15 MS. GIGLIO: You are not going to let me
16 combine the bid?

17 MR. DOOLEY: Only Pittsburgh. If you want
18 to bid for some section of the four stores, that's
19 fine. There is no bid for --

20 MS. GIGLIO: I don't want to bid. I mean
21 I don't have a bid.

22 MR. DOOLEY: So you didn't bid on
23 Cleveland/Pittsburgh?

24 MS. GIGLIO: I'm asking if I can combined

1 them right now.

2 MR. DOOLEY: The answer is no. Possibly
3 later in the day, but the answer is not right now.

4 MS. GIGLIO: Okay. Then pass.

5 MR. DOOLEY: Pass? Okay. Back to 13th
6 Floor, would you like to bid?

7 MR. YOUNG: Pass.

8 MR. FINIZIO: Why would you hear the bid
9 before you move on?

10 MR. DOOLEY: Because right now we are
11 bidding just for Pittsburgh. We will consider
12 some other combination later in the day. Right
13 now we are only looking at Pittsburgh.

14 MS. GIGLIO: Can I tell them what my bid
15 was going to be?

16 MR. DOOLEY: We can talk later. I'm not
17 disqualifying your option of doing that. I'm just
18 saying right now that is not what we are doing.

19 MS. GIGLIO: Okay. Karali is passing in
20 this round. Thank you.

21 MR. DOOLEY: All right. John, DC Burger?

22 MR. NORTHERN: Pass.

23 MR. DOOLEY: Super. Sarah, I think you
24 are the only bid; is that correct?

1 MS. SCHULTZ: I think that's right.

2 MR. DOOLEY: Obviously, you don't need to
3 re-bid. Emmett, second time?

4 MR. MCNULTY: Pass.

5 MR. DOOLEY: Paul, second time?

6 MR. BATTISTA: Pass.

7 MR. DOOLEY: And lastly, back to Cindi in
8 Karali Group.

9 MS. GIGLIO: We are out. We are not
10 bidding.

11 MR. DOOLEY: Okay. So the leading bidder
12 on Pittsburgh is Restaurant Concepts. Their bid
13 was \$220,000. It was for two of the four stores
14 with the net of roughly \$3,000 of the estate after
15 cures and the Burger King post petition adding
16 expenses.

17 All right. That brings us to, I
18 believe, Illinois; is that right? Illinois? All
19 right. Let's see. I believe the --

20 MS. GIGLIO: Young, 220.

21 MR. DOOLEY: All right. We are at
22 Illinois now. We only have one bid for Illinois.
23 And that was from Burger King Company.

24 Just to refresh everyone's memory, the

1 bid for Illinois, I believe, was one million, 745.
2 \$1,745,000. That was for the ten stores in the
3 Illinois that's by Burger King Company. The total
4 cures at Illinois is two million, 194 and some
5 change.

6 So that bid is actually \$450,000
7 negative to the estate. And so let's start with
8 Burger King Company and see if they want to make
9 any change to their bid and then we'll go around.
10 Paul?

11 MR. BATTISTA: I need a couple of minutes
12 for that, and I'll try to get an answer.

13 MR. DOOLEY: I don't think we can do that.
14 You can pass at this point in time and come back
15 later.

16 MR. BATTISTA: Give me a couple of
17 minutes.

18 MR. DOOLEY: Okay. Off the record.

19 - - -

20 (Whereupon, a short break was
21 taken.)

22 - - -

23 MR. BATTISTA: On behalf of Burger King
24 Company, we are going to keep our bid at a

1 million, 745. We are going to waive \$450,000 of
2 our cure costs.

3 MR. DOOLEY: Waive \$450,000 in cure costs,
4 which gives you to --

5 MR. BATTISTA: Gives you a number.

6 MR. DOOLEY: Gets you to break even
7 basically, which at least is nominally a leading
8 bid. Thank you, Burger King. Thank you, Paul.
9 Cindi, at Karali Group?

10 MS. GIGLIO: No bid.

11 MR. DOOLEY: No bid for Illinois?

12 MS. GIGLIO: Not as a standalone basis. I
13 reserve my rights.

14 MR. DOOLEY: Understood. Just for the
15 record, Karali would like to make a bid for a
16 grouping we have not contemplated. Once we get
17 done with the group, take the break, we'll have a
18 discussion with Karali and consult with the
19 consultation parties, and decide what to do.

20 MS. GIGLIO: Okay. Great. Sounds good.

21 MR. DOOLEY: I'm not disqualifying what
22 you want to do. It's just outside of the way we
23 have structured this. Doesn't mean it doesn't
24 work. Doesn't mean it's not great.

1 MS. GIGLIO: Okay. Great. Sounds good.

2 Thank you.

3 MR. DOOLEY: All right. I believe we are
4 at 13th Floor.

5 MR. YOUNG: Pass.

6 MR. DOOLEY: DC Burger passes? Restaurant
7 Concepts, Illinois?

8 MS. SCHULTZ: Pass.

9 MR. DOOLEY: Pass? Emmett?

10 MR. MCNULTY: Can I take five minutes and
11 confer with Burger King? Can we set up a group
12 discussion? Is that possible?

13 Because the way they structured the
14 bid, which I think we want to stand behind as
15 at-minimum back-up bidder, is that if we are using
16 offsets for cure costs any ways, I mean that's how
17 our bid is originating, which would make it even
18 and then we would be adding an additional \$100,000
19 to the estate.

20 MR. DOOLEY: Let me consult with counsel
21 before I answer that question.

22 MR. MCNULTY: Sure.

23 MR. DOOLEY: Okay. Back on the record.

24 So Emmett, I don't think we object to this

1 conversation. The problem is you are both bidding
2 for the same thing. So it's a little close to
3 collusion.

4 So if you are going to have that
5 discussion, we are okay with it. But I think you
6 should have an open group in front of all of us.

7 MR. MCNULTY: Okay.

8 MR. DOOLEY: If you are willing to do that
9 with Burger King right now, we are all willing to
10 listen to it.

11 MR. MCNULTY: All right.

12 MR. DOOLEY: It's up to you and Burger
13 King whether you want to have that discussion.

14 MR. BATTISTA: For the record, Burger King
15 doesn't know what is coming.

16 MR. DOOLEY: I don't either.

17 MR. MCNULTY: I'm just trying to see if we
18 can keep our bid to pull water on the way that we
19 presented to begin with.

20 I mean that's really what we are
21 asking for. Because you are kind of treating
22 these cure costs as credit bids, right? Even
23 though they are not. And if that is a -- if
24 that's a mechanism for us to enter in, we are a

1 group franchisee. We would love to do business
2 with Burger King. That's what we want to do.

3 So ultimately, that's -- we spent the
4 time and made an effort to do that. We are
5 willing to put money on top of the cure costs and
6 work on it outside. We thought that it was more
7 from our standpoint by entering into the franchise
8 agreements.

9 We think that there is additional
10 value in that as opposed to what currently exists
11 which is the assumption of an existing franchise
12 agreement. So there is -- we thought we added
13 extra value in those capacities and would be
14 willing to -- we are going to spend the money
15 obviously to go into new franchise agreements with
16 Burger King Corporation.

17 So because of that, that accumulative
18 value, we thought there was an offset there, that
19 what we are asking is for our bid to basically be
20 held as it stands.

21 I don't want to make a modification to
22 it. But be considered as a back-up bidder if
23 Illinois is -- if it passes, just we reserve our
24 spot. It doesn't really make sense. You're

1 right.

2 MR. BATTISTA: Can we know what restaurant
3 we are talking about.

4 MR. MCNULTY: All ten restaurants.

5 MR. BATTISTA: Bid.

6 MR. MCNULTY: Our bid was literally to
7 take these cure costs. Our bid is \$100,000 on top
8 of cure costs, not settled by paying the estate.

9 They are settled external to the
10 estate through the use of a franchise agreement
11 with Burger King Corporation and entering into new
12 lease agreements, with the lease stores. Having
13 operated some of these stores, we felt that new
14 leases would be beneficial.

15 We also felt that new long-term
16 franchise agreements with Burger King would be
17 beneficial, and that was the -- we saw value in
18 that. In terms of dollars and cents, it's out of
19 your hands. You don't have to pay these cure
20 costs, right? But the cure costs, I mean you
21 don't have to pay them. They are pre-petitioned.

22 MR. DOOLEY: I understand that. But we
23 also have Burger King's administrative costs for
24 royalties and advertising.

1 MR. MCNULTY: That's why I wanted to talk
2 to them. That's the subject of the conversation.

3 MR. DOOLEY: Again, discuss it right here
4 in front of everybody.

5 MR. BATTISTA: If I'm understanding, agree
6 to give you new franchise agreements into waive
7 the payment of the cure costs?

8 MR. MCNULTY: Correct.

9 MR. BATTISTA: We are not doing that.

10 MR. MCNULTY: Okay.

11 MR. DOOLEY: So with that caveat, we would
12 still have to satisfy the Burger King post-
13 petition royalties and advertising costs. So your
14 bid is insignificant to do that. It's not enough
15 numbers to do that.

16 MR. MCNULTY: Fair enough. We are not
17 prepared to --

18 MR. DOOLEY: Okay. Essentially you pass.
19 Burger King is the top bid. Cindi at Karali, do
20 you have --

21 MS. GIGLIO: Can I get a clarification?

22 MR. DOOLEY: Sure.

23 MS. GIGLIO: What is the total value to
24 the estate of the bid that has been put on the

1 table right now?

2 MR. DOOLEY: I didn't hear you.

3 MS. GIGLIO: The total value to the estate
4 of the bid that is currently on the table.

5 MR. DOOLEY: This bid?

6 MS. GIGLIO: Yes. It's zero, right?

7 MR. DOOLEY: Karali has asked for
8 clarification on what the net bid is for
9 Illinois. I believe it's a whopping zero.

10 MS. GIGLIO: Okay. Great. Pass.

11 MR. BATTISTA: At least you used the word
12 whooping.

13 MR. DOOLEY: Okay. 13th Floor. Second
14 time around? Pass? DC Burger, second time
15 around?

16 MR. NORTHERN: Pass.

17 MR. DOOLEY: Restaurant Concepts, second
18 time around?

19 MS. SCHULTZ: Pass.

20 MR. DOOLEY: Emmett?

21 MR. MCNULTY: Pass.

22 MR. DOOLEY: And then lastly --

23 MS. GIGLIO: Pass.

24 MR. DOOLEY: Pass? Okay. So we only have

1 one bid for Illinois, which is 13, 140, thousand
2 for Illinois, plus -- excuse me. 17. I got the
3 wrong number. A net value of the zero to the
4 estate.

5 Okay. We are going to do one more
6 grouping and then we are going to break. It will
7 be about lunchtime. Lunchtime is actually now.
8 We are going to go to Virginia and then we'll
9 break. We'll consult with consultation parties
10 during lunch, and we'll come back. We'll tell you
11 what time we'll come back in a second.

12 All right. So Virginia, I believe the
13 way this works out is 13th Floor, if you look at
14 Page-2 of the hand-out, we have two bids for
15 Virginia, one from 13th Floor, and one from DC
16 Burger. And the DC Burger bid is significantly
17 higher for, I believe, three reasons, right?

18 Reason number-1, they are paying, I
19 believe, a million dollars more. Reason number-2
20 is that there is less restaurants acquired for the
21 cure costs to go down. And reason Number-3
22 variable and pricing having to do with three times
23 lease savings has been eliminated, which is
24 significant. It's a 1.2 million dollar pick-up.

1 Therefore, DC Burger is by far the way
2 right now the leading bidder at this point in time
3 with 13th Floor being in second place. So we are
4 going start with them. Did I explain your bid
5 right, John?

6 Restaurant Concepts, do you have
7 anything you would like to do with the bid in
8 Virginia?

9 MS. SCHULTZ: Pass.

10 MR. DOOLEY: Pass? Emmett, anything you
11 would like to do for general management? Paul,
12 anything you would like to do for Burger King
13 Company in Virginia?

14 MR. BATTISTA: Pass.

15 MR. DOOLEY: Karali, Cindi, anything you
16 would like to do in Virginia?

17 MS. GIGLIO: Pass. Can I have a minute
18 again?

19 MR. DOOLEY: Cindi, you are complicated.
20 Of course you had a question.

21 MS. GIGLIO: We'll make a bid of 16
22 million. We understand it's not a higher and
23 better. But we are giving you the possibility of
24 being back-up.

1 MR. DOOLEY: 16 million for how many
2 stores?

3 MS. GIGLIO: For the Virginia portfolio.

4 MR. DOOLEY: All 40 stores?

5 MS. GIGLIO: Yes.

6 MR. DOOLEY: Okay. It's not an over bid.
7 It's not a back-up bid at this point in time, but
8 it's an option.

9 MS. GIGLIO: It's there. It's an option.

10 MR. DOOLEY: I understand. Fair enough.
11 We respect that. 13th Floor, would you like to
12 bid higher on Virginia? Would you like to out bid
13 the 22 million?

14 MR. YOUNG: One second.

15 MR. DOOLEY: I'm sorry. Amanda, off the
16 record.

17 - - -

18 (Whereupon, the following
19 discussion was held off the record.)

20 - - -

21 MR. DOOLEY: Back on the record.

22 MR. YOUNG: We pass. We don't have a bid
23 on the table for Virginia to be fair.

24 MR. WARD: That's not true. Your bid is

1 currently the back-up bid.

2 MR. YOUNG: Our bid is for 79 stores.

3 MR. DOOLEY: I believe your bid is for 21
4 million dollars, with the regular adjustment of
5 the leases of roughly one point two less. I take
6 it you don't want to overbid?

7 MR. YOUNG: We do not want to overbid.

8 MR. DOOLEY: Okay. Fair enough. You guys
9 are the leading bidder. Sarah, Restaurant
10 Concepts, second time around?

11 MS. SCHULTZ: Can I have just a minute?

12 MR. DOOLEY: Of course. Take a break.

13 - - -

14 (Whereupon, a short break was
15 taken.)

16 - - -

17 MS. SCHULTZ: We want to know if you would
18 consider peeling off Stores-7923 for \$100,000?

19 MR. NORTHERN: If we would exclude that
20 store?

21 MS. GIGLIO: Yes.

22 MR. NORTHERN: Which stores?

23 MS. SCHULTZ: 7923. Just one store.
24 \$100,000 for Store-7923 if DC Burger will exclude

1 it from their bid.

2 MR. DOOLEY: Just to be clear, some people
3 may have not heard. Restaurant Concepts has asked
4 DC Burger to peel off one store. And that was
5 what number?

6 MS. SCHULTZ: Store-7923.

7 MR. DOOLEY: 7923.

8 MR. NORTHERN: The answer to that is no.

9 MS. SCHULTZ: Okay.

10 MR. DOOLEY: The answer was no?

11 MS. SCHULTZ: Okay. Then we'll pass.

12 MR. DOOLEY: Okay. I'm going to go back
13 to DC Burger for a second and ask a question. The
14 estate would like to know -- the debtor would like
15 to know whether or not you would be willing to
16 peel off and decline purchasing the chapter five
17 causes-of-action as part of this?

18 MR. NORTHERN: Would that increase the
19 value of our bid?

20 MR. DOOLEY: No. It increases it for
21 purposes of this auction by \$100,000, which is
22 nonbinding on anyone else. Certainly for purposes
23 of the auction. And I understand you object.

24 MR. FINIZIO: I haven't objected yet.

1 Don't speak for me. Let me answer the question
2 first.

3 MR. NORTHERN: The answer is yes, we would
4 agree to peel off the chapter five.

5 MR. DOOLEY: And the debtor describes the
6 value of \$100,000 of that purpose of the auction.

7 MR. NORTHERN: Purpose of the auction
8 only.

9 MR. FINIZIO: For the record, Gianfranco
10 Finizio for the committee. We were not consulted
11 about this. And we object to this modification.

12 MR. DOOLEY: Fair enough. So noted. Back
13 to the auction.

14 MR. BATTISTA: I apologize. I want to
15 make sure I understand that DC Burger bid on three
16 restaurants. Did not take the cure amounts that
17 tied to this, so we know the value bid.

18 MR. DOOLEY: We do. It's on the sheet
19 that was passed out earlier.

20 MR. BATTISTA: Oh, I'm sorry.

21 MR. DOOLEY: Let's take a break, Amanda.

22 - - -

23 (Whereupon, a short break was
24 taken.)

1 - - -

2 MR. DOOLEY: All right. Back on the
3 record. Let's see. Where did we leave off? We
4 left off with General Management Corp, I believe.

5 MR. YOUNG: Pass.

6 MR. DOOLEY: Burger King, Paul?

7 MR. BATTISTA: Pass.

8 MR. DOOLEY: Cindi, Karali?

9 MS. GIGLIO: Pass.

10 MS. SCHULTZ: Can we get clarity on which
11 three stores they are not talking?

12 MR. DOOLEY: We'll get those in a second.
13 All right. Just for the record, we have been
14 asked to clarify what three stores.

15 The DC Burger bid is for 37 of the 40
16 stores in Virginia, the three stores that are not
17 part of the bid are as follows 11058, 11135 17007.
18 I'll give everyone a second to digest that before
19 we go back to -- we're almost done with the
20 bidding. We'll go back to that.

21 - - -

22 (Whereupon, the following discussion was
23 held off the record.)

24 - - -

1 MR. DOOLEY: We're ready to go back on the
2 record, guys. We are on Virginia. I believe we
3 are on Restaurant Concepts with Sarah.

4 MS. SCHULTZ: We passed.

5 MR. DOOLEY: You passed. Has everyone
6 passed twice? Let's just go around one time. I'm
7 sorry. We have had so many delays at this part, I
8 really don't recall where we are at here. Emmett?

9 MR. MCNULTY: Pass.

10 MR. DOOLEY: Okay. Burger King on
11 Virginia? Second go round.

12 MR. BATTISTA: One second. Pass.

13 MR. DOOLEY: Cindi, relative to Virginia?

14 MS. GIGLIO: We are staying at the 16. 16
15 if you need it.

16 MR. DOOLEY: Which is not a topping bid or
17 a back-up bid. I believe the last bid was -- all
18 right.

19 So the leading bidder on this
20 situation is DC Burger. The back-up bidder is, in
21 fact, 13th Floor Capital. All right. We are
22 going to make one change at the request. I'm
23 going to make sure the consultation parties don't
24 have a problem with this.

1 But we have been asked to have a
2 combination bid with Cleveland slash Youngstown
3 and Pittsburgh, see whether that might be a higher
4 and best if you added these pieces together.

5 Bank Of America, do you have any
6 objection to that?

7 MR. DeBORDE: No.

8 MR. DOOLEY: Committee, do you have any
9 objection to that?

10 MR. FINIZIO: No.

11 MR. DOOLEY: Okay. I guess we should
12 start probably with Karali, with people asking for
13 this bid, with this combination, asking what they
14 would bid for that and how many restaurants would
15 be included.

16 MS. GIGLIO: Okay. So this is for
17 Pittsburgh and Cleveland/Youngstown, less stores,
18 4192 and 12789.

19 MR. DOOLEY: What market are they in?

20 MS. SCHULTZ: Those are the stores that I
21 believe that those guys --

22 MR. DOOLEY: Are they in Pittsburgh?

23 MS. GIGLIO: Pittsburgh, right. And so we
24 might -- as of our bid that we submitted, it's an

1 up-to, so we won't have a purchase price deduct,
2 but we are not necessarily going to take every
3 store in Cleveland/Youngstown.

4 MR. DOOLEY: But we have to assume you
5 are. So it's 26 stores in Cleveland/Youngstown,
6 plus two of the four stores in Pittsburgh.

7 MS. GIGLIO: Well, then, let's take it out
8 now so we can back up, because I'm getting -- I
9 can tell you what we don't want, and then we'll
10 have a more value, because you won't assume that
11 we need to carry these stores. Sorry. It's a
12 little bit --

13 MR. DOOLEY: Uh-huh.

14 MS. GIGLIO: Sorry. Bear with me.

15 MR. DOOLEY: That's okay.

16 MS. GIGLIO: I don't want to get a deduct.

17 MR. DOOLEY: I understand. You don't want
18 to make a mistake. I understand. Off the record,
19 Amanda.

20 - - -

21 (Whereupon, the following
22 discussion was held off the record.)

23 - - -

24 MR. DOOLEY: We are back on the record.

1 Go ahead, please.

2 MS. GIGLIO: Okay. Our bid is for -- we
3 are in the region of Pittsburgh and
4 Cleveland/Youngstown. We are excluding
5 Stores-4192 and 12789, which are from Pittsburgh.
6 And we are excluding from Ohio Stores-5204, 5535,
7 6611, 7322.

8 So that would be a modification to our
9 purchase price agreement.

10 MR. DOOLEY: So just so I'm clear, Cindi,
11 you are excluding two of the four stores in
12 Pittsburgh and four of the 20 -- how many? 28
13 stores. 26 stores. Two of those were the fire
14 store and the lease store. So two additional
15 beyond that is 24.

16 MS. GIGLIO: No, no. Four additional. 22
17 stores.

18 MR. DOOLEY: For the record, can you read
19 the four stores again in Cleveland/Youngstown?

20 MS. GIGLIO: Excluding -- other than in
21 addition to the ones that are previously excluded
22 from the auction by the debtors, we will be
23 excluding 5204, 5535, 6611, and 7322.

24 MR. DOOLEY: Anyone need them to repeat

1 those four numbers?.

2 MR. DOOLEY: Can you repeat the first?

3 MS. GIGLIO: 5204.

4 MR. DOOLEY: Thank you. Okay. And how
5 many millions of dollars are you going to bid for
6 this?

7 MS. GIGLIO: Seven million dollars.

8 MR. DOOLEY: Seven million dollars even?

9 MS. GIGLIO: Yes.

10 MR. DOOLEY: Any change to the terms, in
11 terms of the agreement, in terms of what --

12 MS. GIGLIO: I mean modification -- like
13 conforming changes will be needed to make the --

14 MR. DOOLEY: I understand, but no change
15 to your bid? Okay. Seven million dollars, two
16 stores in Pittsburgh, Cleveland and Youngstown.
17 All right.

18 We are going to take a second to calculate
19 what the net is of that if we do that for the
20 estate. Off the record.

21 - - -

22 (Whereupon, the following
23 discussion was held off the record.)

24 - - -

1 MR. DOOLEY: All right. Back on the
2 record. I want to just go through the numbers
3 with you to make sure your team agrees with the
4 numbers.

5 MS. GIGLIO: Okay.

6 MR. DOOLEY: So as I understood your bid,
7 it was for seven million dollars, which included
8 two Pittsburgh restaurants, 44 restaurants, and
9 the grouping we call Cleveland and Youngstown.

10 MR. BATTISTA: 22.

11 MS. GIGLIO: 22.

12 MR. DOOLEY: 22 restaurants in Cleveland
13 and Youngstown. The cure, as we calculated, are
14 the two restaurants that you want to acquire,
15 Pittsburgh, \$620,000, and some change; does that
16 agree with your numbers?

17 MS. GIGLIO: I mean we can't reconcile it
18 right now. But it is -- this is -- this is solely
19 how you are valuing the bid, right? This is cash
20 neutral.

21 MR. DOOLEY: I just want to make sure we
22 don't have any significant discrepancies.

23 MS. GIGLIO: That's fine. We are doing
24 our best. And we are trying to not be as high

1 maintenance as we appear to be.

2 MR. DOOLEY: Okay. Since I'm going to
3 have a hard time describing what the bid is, which
4 we calculate that the deduct for the cures, as we
5 have called them, \$626,000 in change for the two
6 Pittsburgh restaurants, \$4,288,000 on 22
7 Cleveland/Youngstown's restaurants.

8 That creates a total cures, if you
9 will, of \$4,914,000 and some change. Called four
10 point nine million in round numbers. Which would
11 create a natural bid of 2.1 million dollars in
12 round numbers.

13 So that is the bid for this grouping
14 restaurant. As I said at the beginning of the
15 auction, we have got lots of pieces. We are going
16 to put it all together, consult with the
17 consultations paries, come back and advice how we
18 beat the highest and best offer. Is everyone
19 clear on that offer?

20 MR. BATTISTA: So the two restaurants if
21 they proposing to buy Pittsburgh, that cure is
22 626?

23 MR. DOOLEY: Yes.

24 MR. BATTISTA: Okay. And the 22

1 restaurants they are supposedly buying, excluding,
2 that cure is four million, 228.

3 MR. DOOLEY: 288.

4 MR. BATTISTA: 288. And the total of
5 those, as we calculate it, is four million, 914.
6 I'm forgetting the dollars.

7 MR. BATTISTA: That's okay. Seven million
8 minus 2.1 million dollar net bid for those two and
9 22 restaurants.

10 MR. DOOLEY: That is correct. That's how
11 we calculate it. All right. We are going to go
12 around the table and see if anyone wants to bid
13 more than that. Let's start with 13th Floor.

14 MR. YOUNG: Pass.

15 MR. DOOLEY: 13th Floor passing. John?

16 MR. NORTHERN: DC Burger passes.

17 MS. SCHULTZ: We would like to make an
18 offer on Store-5535, which I believe was excluded,
19 for \$130,000.

20 MR. DOOLEY: 4435.

21 MS. SCHULTZ: 5535.

22 MR. DOOLEY: What market is that in?

23 MS. SCHULTZ: 5535.

24 MR. DOOLEY: What market is that in?

1 MS. SCHULTZ: In the Cleveland/Youngstown
2 market.

3 MR. DOOLEY: And how much again?

4 MS. SCHULTZ: \$130,000.

5 MR. DOOLEY: Any other restaurants that
6 you want to make an offer on?

7 MS. SCHULTZ: No.

8 MR. DOOLEY: On that 185, 187. I'm sorry
9 so it's actually less than the cure amount.

10 MS. SCHULTZ: What are the components of
11 that, please?

12 MR. DOOLEY: Our mistake. Pardon me.
13 122. So it is 8,000 more than the cured costs,
14 excluding Burger King. That include Burger King
15 post-petition costs. All right. Thank you. Back
16 to General Management.

17 MR. YOUNG: Pass.

18 MR. DOOLEY: Burger King, Paul?

19 MR. BATTISTA: Pass.

20 MR. DOOLEY: Obviously, Karali is not
21 going to re-bid itself. DC Burger, second to last
22 time.

23 MR. NORTHERN: Pass.

24 MR. DOOLEY: Any change to your bid at

1 all?

2 MS. SCHULTZ: No.

3 MR. DOOLEY: Okay. Lastly, Paul, at
4 Burger King?

5 MR. BATTISTA: Pass.

6 MR. DOOLEY: Okay. So the leading bidder
7 here is the Karali Group at seven million dollars
8 for 22 Cleveland/Youngstown, two Pittsburgh, point
9 and the next 2.1, and we have also got a side bid
10 on one of the restaurants, excluding for \$130,000,
11 which is \$8,000 in excessive cure costs for a
12 restaurant in the Cleveland and Youngstown market.

13 MR. BATTISTA: Which by the way, that's
14 part of our Cleveland/Youngstown bids, to be
15 clear.

16 MR. DOOLEY: I understand. I understand.
17 Putting this together is going to be a little bit
18 of a jigsaw puzzle.

19 All right. We are going to break for
20 lunch right now. It is 1:10 p.m. There is food
21 out there. We are going to try to do this in one
22 hour. So if everyone comes back in three hours,
23 we are all going to be here all night.

24 So I would suggest we all get back at

1 2:15 so we can continue. Please help yourself to
2 lunch. We will see you at 2:15.

3 - - -

4 (Whereupon, a lunch break was
5 taken.)

6 - - -

7 MR. DOOLEY: All right, guys. We are
8 ready to go. Back on the record, please, Amanda.

9 First off, sorry for the delay. I was
10 grossly underestimating how long lunch would take.
11 It took an hour and 50 minutes. Not one hour.
12 Also, want to compliment the Karali Group on doing
13 the politically correct thing on getting all sorts
14 of Burger King during a Burger King auction.

15 All right. Couple of things we want
16 to handle first. First we want to explain why we
17 took so long at lunch. We have had numerous
18 discussions with the consultation parties as well
19 as having a discussion with the Karali Group.
20 There is an issue with Karali Group's APA,
21 relative to a number of things.

22 They did a fairly significant to the
23 APA, at which we are still under discussion to
24 them. We decided to push that discussion to after

1 we have done completed the auction before we have
2 announced the winning bid and back-up bidder.

3 So we'll have a discussion once we get
4 done with the auction. Hopefully, it'll only take
5 a little bit of time, so we don't keep people here
6 all night.

7 There are some issues relative to
8 additional assets they want to acquire,
9 significant assets, additional liabilities they
10 want to push on the debtor, and certain numerous
11 terms and conditions that are frankly unacceptable
12 for the debtor.

13 So we'll see if we can resolve that or
14 not. All right. Two additional things I want to
15 go through here.

16 We had a couple of people approach us
17 on the break of additional situations they want to
18 have discussed during the auction. The first is
19 DC Burger has asked about the ability to acquire
20 the equity of Thomas King Virginia; is that right?
21 Thomas King Virginia? Is that correct, guys?

22 MR. NORTHERN: It really should be the
23 four operating companies.

24 MR. DOOLEY: You want to acquire the

1 equity of all four entities?

2 MR. NORTHERN: Right. For Thomas King
3 Illinois, Thomas King Ohio, Thomas King Virginia,
4 if that can be done. At minimum, it would be
5 Thomas King Virginia.

6 MR. SINGH: That would negate the million
7 dollars that's owed to the IRS. We'll take that
8 on ourselves.

9 MR. NORTHERN: So our offer that was in
10 the APA is a separate additional item, not part of
11 the 22 million bid.

12 MR. DOOLEY: You offered that as an option
13 within your APA?

14 MR. NORTHERN: Correct. That was \$500,000
15 in cash to acquire the equity interest in Toms
16 King Virginia for transition purposes. We would
17 have to create a new entity.

18 MR. DOOLEY: Sure. Sure.

19 MR. NORTHERN: We would do that and do
20 that transition. We also said during the course
21 of that discussion, if it was more attractive to
22 the parties that are here today, the debtor and
23 the committee, the primary ones who have an
24 interest in this, I believe.

1 Instead of \$500,000 in cash, we could
2 agree that the entity that takes over the equity
3 interest would assume -- agree to pay the tax
4 liabilities that we understand are due with
5 respect to those federal tax liabilities up to one
6 million dollars to be paid when they are due,
7 which I think is like later.

8 MR. DOOLEY: They are actually due
9 December 30th of 2022. We already paid the first
10 half. So we were delinquent on that.

11 MR. NORTHERN: Okay. So that's the
12 proposal. We could do it either way, which I
13 don't know which would be more beneficial.

14 MR. DOOLEY: Give me a second. Stop the
15 record.

16 - - -

17 (Whereupon, the following
18 discussion was held off the record.)

19 - - -

20 MR. DOOLEY: Amanda, back on the record.
21 All right. I guess the debtor's position is we
22 would be open to the notion of selling Thomas
23 Virginia equity, not the other entities. Not
24 really involved in that.

1 We have a stronger preference for cash
2 versus the assumption of liability. Half million
3 dollars of cash. There would be a couple of
4 caveats.

5 One, it would have to be a separate
6 transaction, not a combined transaction. We want
7 a separate document to convey those interests as
8 opposed to putting together into -- for the
9 record, I want to clarify that what whatever
10 liability that exposes the buyer to is the
11 liability.

12 And it could be exposed to, you know,
13 the ERC Referral. It could be exposed to
14 pre-petition AP. I just want to make sure we are
15 clear that you are taking a risk on doing that.

16 MR. SINGH: Do we have information on how
17 much our risk is or what that looks like?

18 MR. DOOLEY: Disclosed in the schedules.
19 I don't know off the top of my head. Unknown
20 risk. We can meet with you later. Would you like
21 time to think about this before we confirm this?

22 MR. SINGH: Yes.

23 MR. DOOLEY: We are in favor of doing it
24 for half a million dollars in cash. You

1 understand, we want to make sure you enter in this
2 eyes opened, and we don't have litigation later,
3 because you misunderstood. Make sense?

4 MR. SINGH: Yes.

5 MR. DOOLEY: Okay. All right. Good
6 enough. And the last thing we want -- we
7 obviously need to clarify all of the assets with
8 the three stores that are not part of your bid for
9 Virginia are excluded from this, right?

10 MR. SINGH: Say that again.

11 MR. DOOLEY: You had made a bid for 37 of
12 the 40 stores in the Virginia territory, Virginia
13 grouping. I want to make sure that all of the
14 assets associated with those three stores are
15 carved out.

16 MR. NORTHERN: Right. So that would be
17 the equipment in the stores as well as any --

18 MR. DOOLEY: Anything associated with
19 those stores. Primarily equipment.

20 MR. NORTHERN: Can we have --

21 MR. DOOLEY: Of course. Of course you
22 can.

23 - - -

24 (Whereupon, a short break was

1 taken.)

2 - - -

3 MR. DOOLEY: All right. Let's get back to
4 business here.

5 MR. FINIZIO: Gianfranco Finizio,
6 Kilpatrick Townsend, counsel to the committee.
7 What other modification to the bid from DC Burger
8 that DC Burger has allowed me to make subject to
9 any comments from them, they will be purchasing
10 non-insider chapter five causes-of-auction.

11 They agree, as do the other
12 consultation parties, and I have confirmed with
13 Bank Of America on this point, that the
14 approximate value of those assets is \$100,000, and
15 that there will be a covenant not to pursue those
16 chapter five causes of action. Did I recite that
17 correctly? Does Bank Of America confirm?

18 MR. DeBORDE: Yes.

19 MR. DOOLEY: Any objection to that? I
20 know you are not a consultation. I just want to
21 make sure we are not buying ourselves an
22 objection.

23 MS. GIGLIO: I guess I'm a little
24 confused. It's just related to the businesses

1 that they are buying, because you are \$100,000.

2 I'm just -- what are the causes-of-action that
3 they are buying slash leaving behind? I think we
4 are doing the same thing in our bid.

5 MR. FINIZIO: My understand significant is
6 that all bids and originally their bid
7 contemplated the purchase of non-insider chapter
8 five causes-of-action with a covenant not to
9 pursue.

10 There was a point in the auction where
11 that was changed by them. And we are now going
12 back to their original form.

13 MR. NORTHERN: So that means the bid is
14 reduced by \$100,000?

15 MR. NORTHERN: It would have gone up by
16 \$100,000 if we let that go.

17 MR. BATTISTA: That's not happening.

18 MR. NORTHERN: That's not happening. We
19 are back where we were. Our bid is 22 million.

20 MR. DOOLEY: It hasn't changed at all.
21 They have just agreed to a value consultation
22 parties of \$100,000 of their 22 million dollar
23 bid.

24 Let's move forward. All right.

1 Burger King approached us during the break and
2 indicated that they might want to make bid for
3 something else. Paul, for Burger King, can you
4 explain what else you might want to do here?

5 MR. BATTISTA: Thank you. So Paul
6 Battista for Burger King Company. As you know, we
7 are the, I guess, second bidder on the Cleveland
8 Youngstown group, which is assuming the lead
9 bidder at present. There was one location that
10 they excluded from their bid, 5535.

11 MR. DOOLEY: In Cleveland?

12 MR. NORTHERN: Yes. In Cleveland. They
13 excluded from their bid. And a bid was made by --

14 MR. DOOLEY: Restaurant Concepts?

15 MR. BATTISTA: Thank you. Restaurant
16 Concepts. We would like to make a bid on that
17 location. And this, of course, is in a situation
18 where we are the winning bidder for this group,
19 and we are not buying it twice.

20 If they are the winning bidder on this
21 group, that restaurant would be offering subject
22 to Restaurant Concepts' bid. So we would bid for
23 5535 in that situation, at \$135,000 gross, which
24 includes the landlord cures, one-half of the

1 Burger King post-petition cures, plus \$5,000, and
2 my friend, Mr. DeBorde, same deal.

3 So apples to apples. It would be
4 \$135,000. I believe their bid was 130 for that
5 location. And naturally, you can put it back to
6 whatever they want to do with that.

7 The second one is in Pittsburgh.
8 4192. Restaurant Concepts made an offer on that.
9 They also made an offer on two Pittsburghs, 4192.

10 We would offer \$107,000 on a gross
11 bid. Landlord cures, plus one half of the DKC
12 post-petition, plus \$5,000. The 107. We think
13 that's higher than their one bid on 4192. They
14 didn't separate their bid. I think we did that.

15 MR. DOOLEY: Okay. I think I understand.
16 So you are looking at two separate stores, one in
17 Pittsburgh, one in Cleveland. You want to bid
18 \$5,000 more than how you interpret Restaurant
19 Concepts' bid on those same stores; is that right?

20 MR. BATTISTA: It's 5,000 on the 4192. So
21 bid on two of them, Pittsburgh, and you indicated
22 that the \$3,000. We are thinking one if we stayed
23 at \$5,000.

24 MR. DOOLEY: I understand.

1 MR. BATTISTA: And that's 5535 in
2 Cleveland. We are bidding 135 against their 130.

3 MR. DOOLEY: Okay. I think I understand.
4 Sarah, do you understand for Restaurant Concepts
5 or not?

6 MS. SCHULTZ: I'm not 100 percent sure I
7 actually understand nor do I understand how we got
8 here, because I thought once you passed twice, you
9 were done on these assets. That's actually what
10 you said.

11 MR. DOOLEY: I did. Off the record.

12 - - -

13 (Whereupon, the following
14 discussion was held off the record.)

15 - - -

16 MR. DOOLEY: Okay. Back on the record.
17 Take Sarah's point to Restaurant Concepts. That
18 was procedure that you got two options to bid,
19 chances to bid. Burger King did pass on that. I
20 would also like to note we are talking about the
21 minimus amount of money. The debtor is probably
22 earning \$5,000-and-hour legal fees and consulting
23 fees just being here. So the answer is no offers.

24 MR. BATTISTA: So the reason we are back

1 at 5535 at Cleveland/Youngstown, based on the bid
2 after that. So we didn't know that one store was
3 going to be offered, and that's why we came back
4 out.

5 MR. DOOLEY: I understand.

6 MR. BATTISTA: We had already bid on
7 Cleveland/Youngstown.

8 MR. DOOLEY: I understand.

9 MR. BATTISTA: And that's why we came back
10 on that one.

11 MR. DOOLEY: Fair enough. The answer
12 still stands. Does anybody have any other
13 clean-up. Somebody is asking about whether or not
14 we should have an auction for everything that no
15 one wants.

16 MR. MCNULTY: We would be happy with the
17 same way, no assumptions. We have the right to
18 elect what we assume, don't assume after the
19 auction. We would bid \$50,000.

20 MR. DOOLEY: \$50,000. No one wants
21 obviously less than cure costs, right?

22 MR. MCNULTY: Yes.

23 MR. DOOLEY: You would not need Burger
24 King franchise agreement? You are looking for the

1 leases?

2 MR. MCNULTY: I think we want the option
3 to sit down and talk to everyone about it
4 afterwards.

5 MR. DOOLEY: It's pretty hard to find
6 people to bid on, because it's contingent upon
7 other people's consent to something. So I'm not
8 sure how that would work.

9 MR. MCNULTY: Or our assumption or not
10 assumption. We would have the right after the
11 auction. I think there is five days at the APA to
12 make a final election, right, to assume or not
13 assume.

14 MR. DOOLEY: I guess the advise I would
15 give you is that's really not a part of the
16 auction. To the extent that there are assets that
17 are not final approved or not approve, selected
18 highest otherwise best bidder, come back to us and
19 put you in contact. You cut deals or not cut
20 deals. If it creates value for the estate, great.
21 If it doesn't. I don't think it's part of the
22 auction today.

23 Okay. All right. Anyone else, any
24 clean-up items before we move to the last two

1 sections to auction?

2 All right. I believe the next is the
3 Virginia stores, is that correct, everyone? And
4 that would include Cleveland/Youngstown, Dayton,
5 Illinois, Pittsburgh.

6 I believe there is 50 stores,
7 potentially up to 50 stores, potentially there.
8 And we have the stalking-horse bid from 13th Floor
9 Capital. It was for 37 stores, \$9,490,000 less
10 cure costs. This is in your sheets. This is the
11 documents we handed out this morning. Was less
12 cure costs creates a net purchase price of
13 basically two point two million dollars.

14 The Karali Group had also bid
15 ostensibly a little bit higher, 95, 90, \$100,000
16 more, but that was for 50 stores. So the cure
17 cost is substantially higher, being that there is
18 actually a negative to the estate.

19 Plus, I would note that we still have
20 the issue with Karali's APA in the APA that has
21 lots of issues. So I just want to confirm I have
22 described to 13th Floor Capital.

23 Josh, did I describe the right at
24 \$9,490,000 for 37 stores?

1 MR. YOUNG: Yes.

2 MR. DOOLEY: Okay. So we are going to
3 start with that bid and go around.

4 MR. WARD: If the sum of the three
5 individuals is in excess of that nine million and
6 change --

7 MR. DOOLEY: We will likely accept that if
8 we deem it to be the highest and otherwise best.

9 MR. WARD: My math today right now is in
10 excess of this nine million.

11 MR. DOOLEY: Assuming probably.

12 MR. WARD: Okay.

13 MR. DOOLEY: I aggress.

14 MR. WARD: I just want to make sure the
15 math is right.

16 MR. DOOLEY: All right. So the bid right
17 now is \$9,490,000 for 37 stores. This is
18 non-Virginia. Again, Cleveland/Youngstown;
19 Dayton, Ohio; Pittsburgh; and Illinois. So go
20 around and say more than we have the whole day and
21 go to DC Burger. Would you like to bid?

22 MR. NORTHERN: Pass.

23 MR. DOOLEY: Sarah, with Restaurant
24 Concepts, would you like to bid?

1 MS. SCHULTZ: Pass.

2 MR. DOOLEY: Emmett, with General
3 Management, would you like to bid?

4 MR. MCNULTY: Pass.

5 MR. DOOLEY: Paul, Burger King, would you
6 like to bid?

7 MR. BATTISTA: Pass.

8 MR. DOOLEY: Cindi, Karali?

9 MS. GIGLIO: Yes. I want the to make a
10 bid. I'm not really sure -- I'm just not entirely
11 clear on what we are bidding on. Are we bidding
12 on the 50 stores -- like the 50 stores that I
13 submitted our initial bid on?

14 MR. DOOLEY: Yes.

15 MS. GIGLIO: Okay.

16 MR. DOOLEY: Or less.

17 MS. GIGLIO: Or less.

18 MR. DOOLEY: But you are substantially
19 below, because the cure costs with 50 stores is
20 way more than the cure costs of 37 stores.

21 MS. GIGLIO: Okay. I understand that.

22 MR. DOOLEY: I'm assuming that the
23 problems with the APA that get resolved between
24 the debtor and your group --

1 MS. GIGLIO: I think -- you know,
2 respectfully, I think the problems with our APA
3 were probably overstated. And we can probably
4 work through them.

5 Had we had the opportunity before the
6 auction to work through it, I think we would have
7 been there. So with that, you know, I think that
8 said, I acknowledge that some parts was larger.

9 And what we would be willing to bid on
10 is the stores that we set forth in our Pittsburgh
11 bid, which is two stores in Pittsburgh. The
12 stores we set forth in our Cleveland bid, which is
13 four stores in Cleveland.

14 MR. DOOLEY: Four stores in Cleveland?

15 MS. GIGLIO: I'm sorry. 22 minus. Sorry.

16 MR. DOOLEY: 22 stores, right?

17 MS. GIGLIO: 22 stores in Cleveland. And
18 we would add three stores in Dayton, Stores-5589,
19 6074, and 8206.

20 MR. DOOLEY: We get those, guys? One more
21 time?

22 MS. GIGLIO: 5589, 6074, 8206. That's a
23 grand total of 27 stores. We understand that this
24 would be an approved franchise -- that we would be

1 an approved franchisee for this. So we would be
2 willing to make appropriate modifications to the
3 APA to reflect that.

4 We welcome the opportunity to
5 transition services with both -- whoever is the
6 winning bidder for the rest of the locations,
7 Thomas King Services, and discuss it today, a
8 potential remodel schedule with Burger King, so
9 that we can remove some conditionality from our
10 APA.

11 And that bid is seven point six
12 million dollars. And we would modify our APA to
13 agree to a store that is today, so the debtors
14 would have certainty on what the cures that they
15 are assuming would be, so we would build out, take
16 out the flexibility.

17 MR. DOOLEY: Okay. Just so I understand,
18 the case value is seven point six million dollars.
19 I calculate 27 stores total; is that right?

20 MS. GIGLIO: That is correct.

21 MR. DOOLEY: Two in Pittsburgh. 22 in
22 Cleveland slash Youngstown. And three in Dayton,
23 Ohio?

24 MS. GIGLIO: Correct.

1 MR. DOOLEY: Nothing in illinois; is that
2 correct?

3 MS. GIGLIO: Nothing in Illinois.

4 MR. DOOLEY: Nothing in Illinois? Okay.
5 Off the record for a second.

6 - - -

7 (Whereupon, the following
8 discussion was held off the record.)

9 - - -

10 MR. DOOLEY: Okay, guys. Back on the
11 record.

12 First, let me start off with our
13 spreadsheet that you have been provided earlier.
14 As you recall, one of the auction rules was at
15 least \$100,000 overbid. We have a situation here,
16 where Karali has offered significant -- to buy
17 significant less restaurants.

18 So we think \$100,000 overbid needs to
19 be applied against the net purchase price. There
20 is no way to do apples and apples at the gross
21 level, okay?

22 So here's the numbers that I would
23 like Karali to confirm real quickly. We show the
24 cures as follows by market. Dayton, \$551,000.

1 I'm not asking you to do this immediately. I'll
2 give you a break, and let you look at this.

3 551 for Dayton. 626 for Pittsburgh.
4 \$4,288,000 for Cleveland and Youngstown. Those
5 three numbers add up to five four six six
6 thousand, \$5,466,000.

7 If you compare that to a seven point
8 six million bid, we end up with a net value for
9 the estate of two million, 133. It's actually
10 \$55,000 less than the 13th Floor bid.

11 And if you would like to make that
12 bid, you need to true up that difference by 100
13 more than their bid, which means you are about 150
14 short. So let's give you the question, please.

15 MS. GIGLIO: Yes, I do, because isn't the
16 way that you should be thinking about this that
17 it's our bid, plus the bid that is there for
18 Illinois? Because that's what we have excluded.

19 They are taking Illinois. So if you
20 combine us, our bid, that we just made, with the
21 winning bid for Illinois, and with the bid that
22 Sarah has made, then you can create apples to
23 apples, because we can all coexist.

24 MR. DOOLEY: It does other than one fact.

1 Their Illinois mission relative to covering the
2 appear costs.

3 It's actually -- I think you cleaned
4 that up to be almost zero, right, Paul, like 20 or
5 30 almost over? So it's over. So no,
6 unfortunately, I disagree with you, Cindi.

7 Please verify the numbers and then we
8 can -- you can decide what you want to do. Thank
9 you. Off the record.

10 - - -

11 (Whereupon, the following
12 discussion was held off the record.)

13 - - -

14 MR. DOOLEY: Let's go back on the record.
15 So Karali team, you confirm those numbers or not?

16 MS. GIGLIO: We agree.

17 MR. DOOLEY: You agree?

18 MS. GIGLIO: Yes.

19 MR. DOOLEY: Okay. And we judge the bid
20 to be \$150,000. We are selling groups. We are
21 not selling combinations right now. That may be
22 where we end up. That's not what we are doing.
23 So would you like to increase the bid by \$150,000
24 and be the highest offer, the highest and best

1 offer at this point in time? That's your option.

2 MS. GIGLIO: Can I actually -- I'm going
3 to answer the question with a question.

4 If Burger King is willing, I would
5 think if we could step out and agree a remodel
6 schedule right now for the stores that we are
7 dealing with, we can remove a significant closing
8 condition from the APA.

9 And you know, if we are talking about
10 \$150,000, I mean there is administrative savings
11 that the estate will reap by not having to
12 litigate a sale, having -- going to a contested
13 sale hearing.

14 MR. DOOLEY: Well, I appreciate your
15 advise on legal issues.

16 MS. GIGLIO: Okay.

17 MR. DOOLEY: But we are an auction.

18 MS. GIGLIO: Okay.

19 MR. DOOLEY: I'm not a lawyer. And
20 frankly, no kidding, I don't really care. We are
21 going to do what we think is the right thing to do
22 here. So would you like to increase your offer by
23 150 or not?

24 MS. GIGLIO: Can we take a break?

1 MR. DOOLEY: Five minutes. No one else
2 leave.

3 - - -

4 (Whereupon, a short break was
5 taken.)

6 - - -

7 MR. DOOLEY: Back to Karali. Cindi, what
8 would you like to do?

9 MS. GIGLIO: I would like to bid -- so we
10 are trying to -- we are crunching numbers in
11 realtime. And we want to be respectful of your
12 five-minute rule.

13 But here is -- the concept is the 27
14 stores that we bid on, plus seven stores in
15 Illinois. And we will -- for that, will be 100 --
16 our bid is whatever number, plus 100 to get there.

17 MR. DOOLEY: Whatever number plus 100?

18 MS. GIGLIO: Plus the minimum overbid.

19 MR. DOOLEY: 150,000?

20 MS. GIGLIO: It's the Burger King number.

21 MR. DOOLEY: Burger King bid for illinois?

22 MS. GIGLIO: Correct. However, this bid
23 is subject on Burger King's approval on granting
24 us a franchise agreement.

1 MR. DOOLEY: That's not an acceptable bid.
2 We can't accept a bid that's contingent upon
3 anything.

4 MS. GIGLIO: You've already accepted a bid
5 that is contingent upon lots.

6 MR. DOOLEY: Contingent upon what?

7 MS. GIGLIO: You have already accepted a
8 bid that has been contingent upon a remodel
9 schedule of 13th Floor.

10 MR. FINIZIO: 13th Floor bid is the
11 stalking-horse bid. And that was contingent to
12 the same Burger King approval. Why are you
13 treating them differently?

14 MR. DOOLEY: Guys, we have way too many
15 conversations going on. Way too many
16 conversations. I'm still confused at what you are
17 getting at. Can you please make it clear?

18 MS. GIGLIO: I am bidding on 27 stores
19 that I have previously bid on for Pittsburgh,
20 Cleveland, and Dayton.

21 MR. DOOLEY: Yes.

22 MS. GIGLIO: I am adding seven Illinois
23 stores, which I am trying to figure out which once
24 if you give me some time.

1 MR. DOOLEY: Okay.

2 MS. GIGLIO: And that value of that bid or
3 the total value of that bid will be the seven six
4 I bid. Plus, I will match what Burger King bid on
5 Illinois. Plus, I will add 100,000 for the
6 minimum overbid.

7 MR. DOOLEY: So Burger King bid two point
8 two million? You are adding two point two
9 million?

10 MS. GIGLIO: 2, 0, 9, 5, yes.

11 MR. DOOLEY: So your total bid is now
12 worth 9.95?

13 MS. GIGLIO: Give or take. That's right.
14 But it is subject to Burger King approving a
15 franchise agreement. If they don't, I'll still
16 close on the 7, 6.

17 MR. DOOLEY: Guys, this doesn't work well
18 if we have 12 conversations going on at once.

19 MS. GIGLIO: I think we need a break.

20 MR. DOOLEY: Can you handle it right at
21 the table here? The problem with a break, a break
22 is like 30 minutes.

23 MS. GIGLIO: What is the rush?

24 MR. DOOLEY: There is no rush. The rush

1 is try to efficiently get the auction done.

2 MS. GIGLIO: I'm not going to be rushed.

3 MR. DOOLEY: Either you are prepared or

4 you are not prepared. We'll give you a break.

5 We'll give you five minutes. We'll give you ten

6 minutes. Is ten minutes sufficient?

7 MS. GIGLIO: We will endeavor. The ten

8 minutes will be sufficient.

9 MR. DOOLEY: Thank you. We are on a

10 break.

11 - - -

12 (Whereupon, the following

13 discussion was held off the record.)

14 - - -

15 MR. DOOLEY: Okay. Guys, let's go back.

16 All right. Back on the record, please, Amanda.

17 Thank you. Cindi, for Karali, you have clarity on

18 what you want to do, please.

19 MS. GIGLIO: I do.

20 MR. DOOLEY: Thank you.

21 MS. GIGLIO: We are going to bid for 34

22 stores.

23 MR. DOOLEY: Yes.

24 MS. GIGLIO: The 27 that we previously

1 stated, plus the following seven in Illinois. 2179
2 6252 7269, 8240, 9926, 11505, 25936.

3 Our bid is nine point three five
4 million, subject to an agreed upon CaPex and
5 franchise agreement for the Illinois stores or we
6 will hold at seven six for the 27 locations
7 previously bid on.

8 And we will remove from our APA any
9 conditionality on a franchise agreement. And we
10 will go into the hall right now with Burger King
11 and agree at a schedule. And we'll remove that
12 conditionality from the APA by the time we leave
13 today.

14 MR. DOOLEY: Okay. We now need a little
15 bit of time to redo a recount.

16 MR. BATTISTA: So Dan, can I add something
17 to help the process? So burger King will make the
18 bid, which will be in conjunction Karali's bid.
19 We are going to affirm our bid now. That's what
20 we did previously. We are prepared to bid for
21 seven of the non-Virginia stores --

22 MR. DOOLEY: All the non-virginia stores
23 --

24 MR. BATTISTA: Seven of the non-Virginia

1 stores put the two together.

2 MR. DOOLEY: So I'm not sure of the math
3 on the stores. They had said 27? 27 plus 7. Oh,
4 34. 34.

5 MR. BATTISTA: But I'm talking about
6 non-Virginia. We are confirming our bid. I think
7 what Karali said is they would stick with our
8 non-Virginia bids at 7.6 million for 27 locations.
9 So I'm focused on that. Accretive to that piece
10 of the bid.

11 MR. DOOLEY: Yes.

12 MR. BATTISTA: And that's adding seven
13 non-Virginia restaurants as follows. 5535, 4192,
14 5226, 6623, 7562, 10847, 12701. And our total bid
15 for those seven restaurants is \$1,257,000, which
16 we calculate to be \$183,000 over the curables.

17 MR. DOOLEY: Can you repeat?

18 MR. BATTISTA: 5535, which is in
19 Cleveland/Youngstown. 4192, which is in
20 Pittsburgh. And then five Dayton restaurants,
21 5226, 6623, 7562, 10847, 12701.

22 With their three Dayton restaurants,
23 the entire date. Put it in that. And our bid for
24 those seven, \$1,207,000, \$183,000 over the

1 curables, which I think Dan, when you combine the
2 two bids, you exceed your \$100,000 bid.

3 MR. DOOLEY: Give us a while to do the
4 calculation.

5 MR. BATTISTA: Of course. That's helpful.

6 MR. DOOLEY: Thank you.

7 MS. SCHULTZ: Sorry. Dan, again, I'm not
8 sure how we are getting back to this. If we are
9 going back to stores that I thought were closed.

10 MR. BATTISTA: You asked for non-Virginia
11 stores. That's a non-Virginia store. Part of the
12 package.

13 MR. DOOLEY: Non-Virginia stores.

14 MR. BATTISTA: I understand.

15 MR. DOOLEY: I'm not sure if we can talk
16 about that. Off the record.

17 - - -

18 (Whereupon, the following
19 discussion was held off the record.)

20 - - -

21 MR. DOOLEY: Back on the record, please,
22 Amanda. All right. Cindi, just to clarify again.
23 I want to run some numbers. I do believe you have
24 a qualified overbid now is for the non-Virginia

1 stores, you have bid \$9,350,000. That's correct,
2 right?

3 MS. GIGLIO: Yes.

4 MR. DOOLEY: And you bid for two stores in
5 Dayton, seven stores in Illinois, two stores in
6 Pittsburgh, and 22 stores in Cleveland and
7 Youngstown, which I think is 34 stores total; is
8 that the right number?

9 MS. GIGLIO: That's right.

10 MR. DOOLEY: Okay. And we calculate the
11 cures, including accrued property taxes, by market
12 as follows. I think several of these numbers we
13 gave you before.

14 \$551,000 to Dayton. Same as before.
15 626 for Pittsburgh. Same as before. \$4,288,000
16 for Cleveland/Youngstown. Same as before. And
17 then for the seven Illinois stores that you have
18 added to this revision of the bid, we calculate
19 1,588,000.

20 The total of those four cures is
21 7,054,000, which creates net value of \$2,295,000,
22 which is a little over \$100,000. \$6,000 better
23 than the alternative bid for 13th Floor Capital.
24 Are those numbers correct, guys?

1 MS. GIGLIO: Yes.

2 MR. DOOLEY: Okay. So that is, in fact, a
3 qualified overbid for sure?

4 Now, Burger King and Paul, you
5 mentioned that you wanted to make a complementary
6 bid. There is some issue about whether that is
7 qualifying. We'll discuss that in a second. Can
8 you clarify what you were suggesting you would bid
9 to kind of somewhat add in to more of those
10 stores?

11 MR. BATTISTA: Sure. So I'm focused on a
12 complementary bid of Karali's bid for 27 stores.
13 And that was three in Dayton, 22 in
14 Cleveland/Youngstown, and two in Pittsburgh. They
15 had bid seven point six million. We were adding
16 to that bid, stores 5535.

17 MR. DOOLEY: What market, Paul?

18 MR. BATTISTA: That's Cleveland. 4192,
19 Pittsburgh. And then the remaining five Dayton
20 locations that they did not bid, which was 5226,
21 6623, 7562, 10847, 12701. So if you take their
22 27, plus those seven, you get the 34. And we
23 would add to their bid seven point six million,
24 one million, 257.

1 MR. DOOLEY: Is Burger King's
2 complementary, a proposed complementary bid, is
3 that only in regards to seven point six
4 non-Illinois bid that Karali posited before we
5 broke, or is it also in relation to the bid that
6 Cindi just gave for Karali?

7 MR. BATTISTA: So my understanding of the
8 bid is she just gave, to answer your question,
9 included seven Illinois locations.

10 MR. DOOLEY: Yes.

11 MR. BATTISTA: We have re-affirmed our bid
12 for all ten Illinois locations. So ours would not
13 necessarily be complementary for nine point three
14 five million dollar bid, because it's overlap.

15 So I was focused on what she said end
16 of her proposal, which is they would stick at
17 seven point six million for 27 locations, which
18 would exclude Illinois.

19 And so we are adding -- we are
20 affirming our bid in Illinois. So we covered that
21 portion of non-Virginia. And we are adding seven
22 locations to pick up the balance of the
23 non-Virginia locations that they have not bid on.

24 MR. DOOLEY: So you are proposing a bid

1 for 17 stores, including the Illinois piece?

2 MR. BATTISTA: Yes. That's the way to put
3 it, yes.

4 MR. DOOLEY: Okay. Give us a second on
5 that. Sarah, I hear your point. So we are going
6 to talk about whether Sarah has a valid point or
7 not.

8 MS. SCHULTZ: And actually, I think it
9 would be helpful if somebody could walk through
10 the math on how you are valuing that, because I'm
11 looking back, and I thought the Illinois Burger
12 King bid had a net value of zero to the estate.

13 Whatever it was that they were
14 affirming, I thought had a net value of zero. So
15 I'm trying to put the pieces together here to
16 understand what the actual net value is to the
17 estate.

18 MR. BATTISTA: That's correct. Let me
19 answer that. That's correct. Illinois paid the
20 net zero value of the estate.

21 When I just gave you the seven
22 additional restaurants, that added 183,000 of
23 additional value over the cures for those seven
24 locations.

1 MR. DOOLEY: Just for those seven stores?

2 MR. BATTISTA: Yes.

3 MR. DOOLEY: Okay. Give us a second.

4 Sarah, I will not forget your point. We will
5 address that.

6 - - -

7 (Whereupon, a short break was
8 taken.)

9 - - -

10 MR. DOOLEY: All right. Back on the
11 record, Amanda. Sorry for the delay, guys.

12 We have concluded that Karali's last
13 bid is, in fact, a qualifying bid, and at least
14 \$100,000 over 13th Floor Capital. What we have
15 been working on here is the combination of the
16 seven point six; is that the right number for
17 Karali?

18 Plus whether what Burger King offered
19 up as the combination bid was higher and better.
20 It appears to be over \$100,000 better on a net
21 basis than the other bid.

22 I don't think we are going to declare
23 that a qualifying combination bid. We are going
24 to take that under advisement in terms of what we

1 do. I hear Sarah's objection, which is this kind
2 of reopens some of the old issues.

3 However, it is under the context of
4 this grouping. Nobody has bid outside of this
5 grouping. So we have to discuss this with the
6 consultation parties, whether this works. But I
7 note for the record that this is clearly at least
8 \$100,000 combined over the Karali standalone bid.
9 Sarah?

10 MS. SCHULTZ: Could you please walk
11 through the math for that?

12 MR. DOOLEY: I will. Of course.

13 MS. SCHULTZ: Thank you.

14 MR. DOOLEY: That's a fair question. So
15 under gross basis, I'm going to add these
16 together, okay?

17 So under gross basis, Karali bid seven
18 point six million dollars, the Burger King bid for
19 Illinois of two point two million dollars, and the
20 Burger King bid for seven non-Virginia,
21 non-bid-for locations within outside of the Karali
22 bid is one point two five seven million dollars.

23 That comes to a total of \$11,057,000.
24 I'll walk through that again, okay?

1 Karali's bid was seven point six for
2 27. Burger King Company's bid was for Illinois,
3 which I believe is ten. Add two point two
4 million, and for seven -- sorry. Seven locations,
5 not within Karali's bid of 27, which is one point
6 two five seven million, total 11 million, 057.

7 The Dayton cures, which includes three
8 Karali, five Burger King, all Dayton restaurants,
9 per our sheet passed out at the beginning of the
10 auction, one million, 295. Dayton cures, one
11 million, 295, three Karali, five Burger King.

12 Illinois, all ten Burger King.
13 \$2,194,000, \$2,194,000. Pittsburgh cures, which
14 would be two Karali, one Burger King. One
15 restaurant left behind would be \$780,000. Two
16 Karali, one Burger King, three and four
17 restaurants, Pittsburgh, \$780,000.

18 Finally, Cleveland/Youngstown, which
19 is the 23 Karali, same number as we have given a
20 couple of times. \$4,475,000. \$4,475,000. That
21 creates a total of 44 restaurants in the
22 combination of those two bids. 44 restaurants and
23 cures of \$8,746,000, \$8,746,000.

24 The net on that is two million, three

1 hundred and ten, two million, three hundred and
2 ten, which is in round number of \$182,000 superior
3 to what Karali did.

4 So we are not saying we are accepting
5 those combination bids. We are noting for the
6 record that they are clearly together and higher
7 by over \$100,000. We will take that under
8 advisement and discuss that with the consultation
9 parties. I hear Sarah's objection.

10 It's a valid point to raise. And I
11 want to make sure we consult with the parties
12 before we decide that. All right. Let's go back.
13 Yes, Sarah?

14 MS. SCHULTZ: I'm sorry. Can you clarify?
15 Because I thought the net on the Karali bid was
16 two million, 295. And if that's correct, we are
17 not \$100,000 over.

18 MR. DOOLEY: I have got two million -- off
19 the record.

20 - - -

21 (Whereupon, the following
22 discussion was held off the record.)

23 - - -

24 MR. DOOLEY: I'm sorry. Back on the

1 record, Amanda. I'm not sure. I could have
2 misspoke.

3 Did I talk about the Karali 93, 5, 0
4 just a second ago? Sarah, is that what you were
5 confused with us about?

6 MS. SCHULTZ: Yes.

7 MR. DOOLEY: I'm going to put this back
8 together one more time.

9 MS. SCHULTZ: Okay.

10 MR. DOOLEY: Because this is even
11 confusing to us. I'll admit this. This is
12 complicated, all right?

13 So let's go back to potentially the
14 two bids, put them together. In round numbers,
15 total price, \$11,057,000. The net value for the
16 estate is \$2,310,000. The bid we had from Karali,
17 just as a standalone bid, not adding anything else
18 up, for 34 stores, within the non-Virginia area,
19 was nine million, 350; that's correct, isn't it,
20 Cindi?

21 MS. GIGLIO: Yes.

22 MR. DOOLEY: Okay. The cures we had for
23 just that bid was \$7,054,000, 34 stores. That
24 created a net value to the estate of \$2,295,000

1 and change. I believe we communicated 40 minutes
2 ago, 30 minutes ago, that, that was superior to
3 the 2188, the 13th Floor net value. I believe
4 that's what we did.

5 I explained that a second ago. It was
6 mine. I was looking at the wrong column. My
7 error.

8 So with that incredible complexity, so
9 I think where we left off -- and I recognize that
10 we are bidding for the non-Virginia stores. We
11 started that about an hour ago. And we had Karali
12 bid, again, the number 9, 3, 5, 0 for 34 stores.
13 They added an option -- Burger King added a
14 complementary option.

15 We talked about that. We put that on
16 the side. We just need to find if anyone wants to
17 bid top Karali bid of nine million, 350 of 34
18 stores. So we are going to start again at the
19 last sequence. Go to 13th Floor. Would you like
20 to top that bid?

21 MR. YOUNG: Pass.

22 MR. DOOLEY: John?

23 MR. NORTHERN: Sorry. Pass.

24 MR. DOOLEY: Sarah? Perhaps you want to

1 add a complementary bid, since that seems to be in
2 fashion.

3 MS. SCHULTZ: I think we do.

4 MR. DOOLEY: Surprise, surprise.

5 MS. SCHULTZ: Surprise, surprise, right?

6 MR. DOOLEY: That's okay. Do you need
7 time?

8 MS. SCHULTZ: So we have three -- we have
9 three leases in play. The leases that I believe
10 we have in play are Store-12789, Store-5535, and
11 Store-4192.

12 MR. DOOLEY: One more time, those three,
13 please.

14 MS. SCHULTZ: 12789, 5535, and 4192.

15 MR. DOOLEY: What markets are each of
16 those in, please?

17 MS. SCHULTZ: We have two in Pennsylvania
18 and one in Youngstown.

19 MR. DOOLEY: Two in Pittsburgh, one in
20 Youngstown? Okay.

21 MS. SCHULTZ: I believe that our current
22 bid total for those stores is 350. And that nets
23 \$11,000 to the estate for your previous.

24 MR. DOOLEY: So you want to bid --

1 MS. SCHULTZ: No. I'm just reviewing what
2 I think our current bid is. That's our current
3 bid. That's our current net to the estate. We'll
4 bid \$400,000 for those four leases.

5 MR. DOOLEY: Four or three?

6 MS. SCHULTZ: Three leases. Sorry. Which
7 I believe should make the net to the estate
8 \$61,000.

9 MR. DOOLEY: So those three stores.

10 MS. SCHULTZ: And it's complementary to --

11 MR. DOOLEY: We can verify that. We can
12 move on. Let's see. Where were we? Emmett, do
13 you guys have a bid on this?

14 MR. MCNULTY: So depending on how you guys
15 consult on this, I think that we would be willing
16 to entertain, A, picking on some of the debtor's
17 rights to one closed location.

18 And potentially, if you take the
19 Karali bid of nine point three five million
20 dollars, we would take the other three locations.
21 I think at a minimum, we would put in \$100,000
22 just to have -- we would assume the contracts
23 number.

24 MR. DOOLEY: \$100,000. You assume the

1 lease --

2 MR. MCNULTY: Yes.

3 MR. DOOLEY: Do you need to assume the
4 Burger King franchise agreements or not?

5 MR. MCNULTY: Yes, yes. I think so. It
6 would just be in addition to it. We are not
7 handling the cures.

8 MR. DOOLEY: Just to be clear, can we
9 figure out what the three store numbers are, guys?

10 MR. MCNULTY: Yes. I think we have those.
11 I need to find the rights to --

12 MR. DOOLEY: Sure. No problem. I'll give
13 you a second.

14 MR. MCNULTY: So I think it's -- the total
15 store numbers are 2135, 12090, 5126, yes.

16 MR. DOOLEY: One more time, please.

17 MR. MCNULTY: 2135, 12090, 5126.

18 MR. DOOLEY: Okay.

19 MR. MCNULTY: Now, that's under the
20 assumption that, that's the direction you went.
21 However, if you are taking on -- there is an 11
22 million dollar one. We wouldn't compete with
23 that. We would have no bid in that scenario.

24 MR. DOOLEY: So complementary to Karali's

1 nine point three five bid, which excluded these
2 three stores in Illinois; is that right?

3 MR. MCNULTY: Yes.

4 MR. DOOLEY: Which you bid \$100,000, and
5 you covered the cures on the leases, but not the
6 cures on the franchise agreement?

7 MR. MCNULTY: No. \$100,000. It would
8 just be aligned with the current APA. So that
9 would be assuming all of that. It would be
10 assuming we are not paying anything in addition to
11 the \$100,000.

12 MR. DOOLEY: Not assuming the Burger
13 King --

14 MR. MCNULTY: Right. Nobody is bidding on
15 it.

16 MR. DOOLEY: I got you. Fair enough. So
17 noted. Burger King, anything you would like to
18 throw in the mix here?

19 MR. BATTISTA: One second. We are just
20 talking about at this point --

21 MR. DOOLEY: Any grouping of non-Virginia
22 stores?

23 MR. BATTISTA: Not complementary to the
24 nine point three five million bid?

1 MR. DOOLEY: You can do whatever you want
2 at this point in time. We have moved into free
3 form bidding.

4 MR. BATTISTA: One second. So Dan, in
5 connection with the combined bid that we had with
6 Karali, we will increase -- we will increase our
7 offer from one million, 257 to one million, 357,
8 additional \$100,000.

9 MR. DOOLEY: That was for the seven stores
10 that are kind of orphans if you will?

11 MR. BATTISTA: Yes, sir.

12 MR. DOOLEY: Not in a derogatory sense.

13 MR. BATTISTA: That's the right phrase.

14 MR. WARD: To clarify though, that's only
15 for the seven point six million dollar offer for
16 the 27 stores?

17 MR. BATTISTA: This is the combined bid.
18 That's correct.

19 MR. DOOLEY: Got you. Thank you. Karali,
20 do you want to outbid yourself? I didn't think
21 so. Josh?

22 MR. YOUNG: Pass.

23 MR. DOOLEY: Passing out. Sarah, anything
24 to offer other than the stores you put out a

1 second ago?

2 MS. SCHULTZ: Let me start by stating for
3 the record we still disagree. We think that it
4 was inappropriate to go back and revisit. But we
5 will --

6 MR. DOOLEY: So noted.

7 MS. SCHULTZ: -- increase our bid with
8 respect to the three stores previously noted,
9 which for the record, are Store-12789, Store-5535,
10 and Store-4192 to \$450,000.

11 MR. DOOLEY: The prior bid was 400?

12 MS. SCHULTZ: Correct. I think that puts
13 us 50 ahead.

14 MR. DOOLEY: Thank you. Got it. Emmett,
15 anything you guys want to do at the General
16 Management?

17 MR. MCNULTY: I think we are just staying
18 where we are, right?

19 MR. DOOLEY: Got you. Understood. Paul,
20 anything Burger King wants to do?

21 MR. BATTISTA: Dan, we will increase our
22 combined -- in connection with the combined bid
23 with Karali -- that's what we are talking about.
24 We will increase from 1,3,5,7 to 1,4,5,7.

1 MR. DOOLEY: 1,4,5,7, the same.

2 MR. BATTISTA: Yes, sir. And just to be
3 clear for the record, the three stores that
4 Restaurant Concepts bid on, we are only talking
5 about two of those as a part of our bid. Store-
6 12789 is not part of our bid.

7 MR. DOOLEY: 12789.

8 MR. FINIZIO: Paul, the two stores that
9 are part of your bid, what geographic locations?

10 MR. BATTISTA: Pennsylvania and Cleveland.

11 MR. FINIZIO: Thank you.

12 MR. DOOLEY: Thank you, Paul. Cindi,
13 anything else to offer with Karali?

14 MS. GIGLIO: I'm partners with this
15 gentleman.

16 MR. DOOLEY: Let's just say you bid
17 independently and he supplemented your bid.

18 MS. GIGLIO: Okay. I reaffirm my bid as
19 being supplemented by Burger King.

20 MR. DOOLEY: All right. I believe Josh is
21 out. John is out. Sarah, anything you want to
22 do?

23 MS. SCHULTZ: Can we take a short break,
24 please?

1 MR. DOOLEY: Can you talk there or do you
2 need to leave the room?

3 MS. SCHULTZ: We can talk here.

4 MR. DOOLEY: Thank you. Everyone, please
5 stay in place.

6 - - -

7 (Whereupon, a short break was
8 taken.)

9 - - -

10 MR. DOOLEY: Back on the record. We are
11 ready to go. Sarah, for Restaurant Concepts, you
12 were considering whether you wanted to revise the
13 bid you had for running three restaurants, right?

14 MS. SCHULTZ: We were. And we will revise
15 that bid with bidding only on Store Number-12789.
16 And we'll bid \$120,000. And that's complementary
17 to the other bids.

18 MR. DOOLEY: \$120,000 for that one store?

19 MS. SCHULTZ: On that one store.

20 MR. DOOLEY: And that was again --

21 MS. SCHULTZ: 12789.

22 MR. DOOLEY: Okay, \$120,000.

23 MS. SCHULTZ: Unless you go back --

24 MR. DOOLEY: \$120,000 for 12789, no bid

1 for anything else?

2 MS. SCHULTZ: Right. Unless you go back
3 to a different construct.

4 MR. DOOLEY: Emmett is out. Paul, do you
5 guys want to do anything on Burger King at this
6 point?

7 MR. BATTISTA: Based on that bid, no.
8 We'll stick to our original answer.

9 MR. DOOLEY: So I'm confused who has been
10 out twice. Does any one of the six bidders want
11 to make an additional bid for this group of
12 restaurants before we close the bidding on this
13 and move to the last group?

14 MS. GIGLIO: Can you confirm what the
15 highest bid is?.

16 MR. DOOLEY: Right now, I believe what we
17 have here is you have two different bids, Karali
18 Group, 93504, and seven point six million, 420,
19 27; is that correct?

20 MS. GIGLIO: Yes. And is my consortium
21 bid the highest and best?

22 MR. DOOLEY: Burger King has, I believe, a
23 bid for seven orphan restaurants, at -- what is
24 the current number? 1457, one million, 457, and

1 Restaurant Concepts has a bid for one restaurant,
2 which is number 12789, for \$120,000.

3 All right. Let's move on to the last
4 thing. And just so everyone is clear, what we are
5 going to do here, we are going to conclude with
6 this last section, which is basically everything.
7 Start with the stalking-horse bid to see if anyone
8 wants to make an overbid.

9 We still have an issue to resolve at
10 Karali, which is dependant upon whether or not
11 their bids will be put in the next. And then we
12 have to huddle with the consultation paries,
13 decide what is the highest and otherwise best, and
14 come back and tell everyone, winning bidders, and
15 back-up bidder or bidders, okay?

16 Anyone have any questions on that?
17 All right. So we are now on the final group that
18 we want to auction. And that is the -- all
19 locations, up to 90 locations or actually 88
20 locations.

21 The adjusted purchase price for the
22 stalking-horse, 13th Floor, will you take into
23 consideration the 28, 90, takes into consideration
24 lease adjustment, doesn't it, Pat? 28, 9, 90

1 takes into the account the lost money from the
2 lease adjustment, does it not?

3 28, 9, 90. And I believe this is the
4 top bid. Actually, it's the only bid. Cures were
5 15 million, 636. If we would take that bid, that
6 would be \$13,353,000. So we are just going to go
7 around the room a couple of times to see if anyone
8 wants to top that bid.

9 So we'll obviously start with DC
10 Burger and see if they want to top that bid. All
11 restaurants?

12 MR. NORTHERN: We'll pass.

13 MR. DOOLEY: Sarah, would you like to make
14 a bid for all restaurants?

15 MS. SCHULTZ: Pass.

16 MR. DOOLEY: Paul, Burger King?

17 MR. BATTISTA: Pass.

18 MR. DOOLEY: Sarah? Or excuse me. Cindi?

19 MS. GIGLIO: Pass.

20 MR. DOOLEY: One more time around the
21 room. Sarah?

22 MS. SCHULTZ: Pass.

23 MR. DOOLEY: Emmett?

24 MR. YOUNG: Pass.

1 MR. DOOLEY: Paul?

2 MR. NORTHERN: Pass.

3 MR. DOOLEY: Cindi?

4 MS. GIGLIO: Pass.

5 MR. DOOLEY: Okay. We only have one bid.

6 All right. We are going to take a break. I don't
7 know how long that is going to take. I believe
8 dinner comes at 6:30. I'm being serious. I don't
9 know if it will take 15 minutes or three hours.

10 It's going to take a while. It's
11 beyond consulting with the consultation parties.
12 We have got to take time to see if we can resolve
13 an issue with Karali. I'm not sure how long that
14 will take.

15 I'm told by my counsel that it won't
16 take long. So if this takes a long time, it ain't
17 my fault. Anyway, dinner at 6:30. Everyone, come
18 back at 6:30 to 7:00. We will take at least an
19 hour.

20 - - -

21 (Whereupon, a dinner break was
22 taken.)

23 - - -

24 MR. DOOLEY: All right. Let's go back on

1 the record here. So first off, my apologies to
2 everyone. I'm sorry to make everyone wait four
3 hours, but we work out some complicated issue.

4 So let me start off by saying that the
5 debtor, in conjunction with the consultation
6 parties, approved by the independent manager, is
7 going to announce what we are determining to be
8 the highest and otherwise best offer -- or best
9 deals which we are going to accept in buying
10 bidders, winning bidders, and back-up bidders.

11 Before I do that, there is a couple of
12 things that I want to just quickly mention. There
13 are three things that I want to just put.

14 First off, Restaurant Concepts, Sarah,
15 brought up a point earlier, probably four or five
16 hours ago now, that she thought it was incorrect
17 under the auction rules that I created at the
18 beginning that we talked about earlier to let two
19 bidders basically take pieces and come up with a
20 component.

21 We have talked to the consultation
22 parties, the debtors, et cetera. Unfortunately,
23 disagreed. And we are going to do that.

24 Relative to the issue of equity, which

1 folks of DC Burger have asked about in terms of
2 buying equity, we believe we are willing to do
3 that, but we want to separate that from the
4 auction.

5 Call me tomorrow. We'll deal with it,
6 okay? Relative to the issue that the folks at
7 General Management have, which is if there is
8 anything left, we might be interested in buying
9 it. Same thing. Call me tomorrow. We will deal
10 with it. We are interested.

11 You are going to find out we have, I
12 believe, six restaurants that are not part of the
13 relative bid packages. And maybe there is a deal
14 that can be worked out that you can buy those
15 restaurants. Maybe. I don't know.

16 All right. Does anyone have questions
17 on that before we move forward and declare the
18 winning bidders?

19 Let's see. All right. So we have got
20 somewhat of a complicated situation on the
21 non-Virginia. First off, on the Virginia stores,
22 we determined DC Burger is, in fact, the winning
23 bidder. The offer they made, which I believe was
24 22 million dollars.

1 And again, on the equity side, we are
2 open to that notion. Just call me tomorrow, and
3 we'll deal with it. I think we can probably
4 figure that out. But that's not part of what we
5 are doing here.

6 Back-up bidder in that situation is
7 our stalking-horse, 13th Floor Capital. And I'm
8 going to walk around. When we get done here, I'll
9 walk around and ask everyone to confirm their bid
10 and ask everyone to confirm several things at the
11 end.

12 Relative to the non-Virginia stores,
13 which is a hell of a lot more complicated. That's
14 why we spent a long time with various bids here,
15 back at 4:00, 3:00, whatever time.

16 We have a combination of three
17 different parties that are going to get
18 restaurants. First off, the folks at Karali
19 group, their offer, which I believe to be -- I
20 recall to be 22 restaurants in
21 Cleveland/Youngstown, three restaurants in Dayton,
22 Ohio, and two restaurants in Pittsburgh. A total
23 of 27 restaurants. Their bid was seven point six
24 million dollars; is that correct?

1 MS. GIGLIO: That's correct.

2 MR. DOOLEY: That's correct, Cindi? Okay.
3 Thank you. They will be the winning bidder for
4 that group of restaurants.

5 MR. DOOLEY: -- burger King Corporation,
6 which bid three million -- is it 202, guys? Help
7 me, Pat, someone? \$3,202,000, plus the waiver of
8 \$450,000 in cures. They would be the winning
9 bidder for one restaurant in Cleveland, five
10 restaurants in Dayton, Ohio, ten restaurants in
11 Illinois, and one restaurant in Pittsburgh.

12 Paul, could you confirm that's what
13 you guys bid?

14 MR. BATTISTA: Give me a moment.

15 MR. DOOLEY: Of course.

16 MR. BATTISTA: That's right.

17 MR. DOOLEY: Three point two zero, two
18 million dollars, plus 450 -- plus the 450 waiver
19 of cures, right?

20 MR. BATTISTA: That's right.

21 MR. DOOLEY: All right. Finally we have
22 folks at Restaurant Concepts would be the winning
23 bidder for one restaurant in Pittsburgh. And the
24 bid on that was \$120,000. Do you confirm that?

1 MS. SCHULTZ: Confirmed.

2 MR. DOOLEY: Sarah confirms that. That
3 leaves six restaurants that are stranded -- by
4 stranded, orphan restaurants. And I believe they
5 are -- let's see. Three in Virginia. Three in
6 Virginia, one in Pittsburgh, and that would leave
7 the last two in Cleveland, Cleveland/Youngstown,
8 okay.

9 All right. All right. So now, we are
10 going to confirm a couple of things. The back-up
11 bidder on this is a bundle. And I understand that
12 you may disagree with this, the folks at 13th
13 Floor Capital. But the back-up bidder for us is
14 all the non-Virginia restaurants for 13th Floor
15 Capital.

16 There is a couple of things that we
17 are going to want people to confirm. The first
18 thing we are going to want to confirm is --

19 MR. YOUNG: Are you confirming that,
20 because you are eliminating the other combinations
21 as back-up bidders?

22 MR. DOOLEY: That is correct. Under the
23 concept of higher and best.

24 MR. YOUNG: Are you also eliminating

1 Burger King's bid with a bid for all the
2 portfolios?

3 MR. DOOLEY: All of the portfolios?

4 MR. YOUNG: They bid for Cleveland,
5 Dayton, and Chicago individually.

6 MR. DOOLEY: Right now your firm is the
7 back-up bidder for all -- that's what we decided
8 to do. Again, I understand that you may disagree
9 with that, but that is the position that we are
10 taking right now.

11 MR. BATTISTA: For the record, I think we
12 may disagree as well. I think we do have a bid on
13 Illinois.

14 MR. DOOLEY: Nevertheless, that's where we
15 are at.

16 Again, you are all free to disagree
17 with whatever the backup bidder is. But that is
18 the position the debtor and the consultation
19 parties are taking.

20 We are going to ask everyone -- and
21 the "everyone" is all four of the winning bidders,
22 because there is four, right? There is DC Burger,
23 there is Karali, there is Burger King, and then
24 there is Restaurant Concepts.

1 We are going ask them to confirm a
2 number of things, one that there is no collusion,
3 two, that they bid in good faith, three they are
4 not affiliated with the debtors. So that's the
5 first thing we are going to do.

6 So again, three things. One, there is
7 no collusion. Two, your bid was done in good
8 faith. And three, you have no affiliation with
9 the debtor and the owner.

10 So I'm going to ask each of the four
11 willing bidders as well as the backup bidders to
12 confirm that. So DC Burger?

13 MR. NORTHERN: Yes.

14 MR. DOOLEY: Okay. Karali, would you
15 confirm that?

16 MS. GIGLIO: Confirm.

17 MR. DOOLEY: Burger King, would you
18 confirm that?

19 MR. BATTISTA: Confirm other than we are
20 the franchise owner. That's our affiliation.

21 MR. DOOLEY: I understand. I realize you
22 have a relationship. That's different. And then
23 lastly, Restaurant Concepts, would you confirm
24 that?

1 MS. SCHULTZ: Yes, we confirm that.

2 MR. DOOLEY: And back-up bidder, would you
3 confirm, 13th Floor Capital?

4 MR. YOUNG: Confirm.

5 MR. DOOLEY: Okay. Super. Last thing I
6 want to confirm here is that we are -- we have
7 made a lot of changes to the Karali APA, as they
8 submitted it to us over the weekend.

9 One critical, critical thing from the
10 debtor's point of view, absolutely critical, is we
11 have assigned an APA by Friday at noon. This
12 Friday at noon, which is what date, guys?

13 24th, okay. If we do not have a
14 signed APA with Karali by Friday at noon, we are
15 going to pivot to the back-up bidder. We need to
16 put this on a timeline. We are not going to keep
17 this open.

18 So that's where we are at. I think
19 that covers everything. Does anyone have any
20 comments? I realize -- again, I'm going to state
21 for the record, I believe 13th Floor Capital does
22 not believe that the back-up bidders are
23 non-Virginia. I know that's your position; is
24 that correct?

1 MR. YOUNG: I believe so.

2 MR. DOOLEY: Okay. Fair enough. Does
3 anyone have any questions or comments? Yes.

4 MS. GIGLIO: I do. Who has the pen on the
5 various agreements that are being determined? And
6 if we are going to pivot to you guys, can you give
7 us a shout by tomorrow?

8 MR. DOOLEY: I believe the debtor will
9 take the pen on that.

10 MS. GIGLIO: Okay. Well, we'll need time
11 to respond if we are committing to a Friday
12 deadline. So I would commit that you need to get
13 it to us by tomorrow at noon as well.

14 MR. DOOLEY: Ericka and the folks are
15 incredibly responsible. That won't be a problem.

16 MS. JOHNSON: I will get it to you
17 tomorrow as soon as I can.

18 MR. DOOLEY: Get it to you as soon as we
19 can. Anyone with anything else they want to --

20 MR. WARD: Are you ending --

21 MR. DOOLEY: Forgot one additional thing.
22 This has obviously been approved, not only by the
23 debtor, but by the independent manager, director
24 as well.

1 MR. WARD: That wasn't the thing.

2 MR. DOOLEY: What was the thing?

3 MR. WARD: I think you want Burger King to
4 confirm --

5 MR. DOOLEY: Oh, yes, yes, yes. I'm
6 sorry. Thank you, Matthew. Burger King, I would
7 just like to confirm that the winning bidders are
8 acceptable Burger King and all the territories
9 described. Is that --

10 MR. BATTISTA: Other than 13th Floor
11 Capital, that is correct.

12 MR. DOOLEY: All the winning bidders are
13 confirmed?.

14 MR. BATTISTA: The winning bidders, yes.

15 MR. DOOLEY: I didn't say the back-up
16 bidders. I said the winning bidders.

17 MR. BATTISTA: Winning bidders have been
18 confirmed.

19 MR. DOOLEY: Thank you very much. Does
20 anyone have anything else before we conclude the
21 auction? Thank you for putting up with a very
22 long day. I appreciate it. The auction is now
23 concluded. We are off the record, Amanda. You
24 can go home. Thank you.

1 - - -

2 (Whereupon, the auction concluded

3 at 9:22 p.m.)

4 - - -

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

1 - - -

2 C E R T I F I C A T I O N

3 - - -

4 I, Amanda Brooks, a court reporter and
5 commissioner of deeds, do hereby certify that the
6 proceedings and evidence are contained fully and
7 accurately in the stenographic notes taken by me
8 on Tuesday, March 21st, 2023, and that the
9 foregoing testimony was taken in shorthand by
10 myself and reduced to typing under my direction
11 and control and that this is a correct transcript
12 of the same.

13 *Amanda Brooks*

14 -----

15 AMANDA BROOKS

16 Court Reporter

17 Commissioner of Deeds

18

19

20 (The foregoing certification of this
21 transcript does not apply to any reproduction of
22 the same by any means, unless under the direct
23 control and/or supervision of the certifying
24 shorthand reporter.)

\$	\$300,000 36:8	1.2 67:24
	\$4,288,000 80:6 103:4 113:15	1.3 44:13,23
\$1,173,000 15:10	\$4,475,000 119:20	1.314 17:1
\$1,207,000 111:24	\$4,914,000 80:9	1.5 14:19
\$1,257,000 111:15	\$400,000 124:4	1.6 46:10,14
\$1,314,000 51:12 52:12	\$450,000 59:6 60:1,3 128:10 138:8	1.64 50:24
\$1,745,000 59:2	\$5,000 93:1,12,18,23	1.7 24:15 51:2,3
\$100,000 14:8 16:8 20:15 36:9 61:18 64:7 70:18,24 71:21 72:6 90:14 91:1,14,16,22 97:15 102:15,18 112:2 113:22 117:14, 20 118:8 120:7,17 124:21,24 126:4,7,11 127:8	\$5,000-and-hour 94:22	1.745 16:24
	\$5,466,000 103:6	10 14:12
	\$50,000 20:22 95:19,20	100 36:12,15 94:6 103:12 106:15, 16,17
\$103,000 19:11,12	\$500,000 14:21 15:2,10 86:14 87:1	100,000 108:5
\$107,000 93:10	\$55,000 103:10	103 19:9
\$108,000 14:8	\$551,000 102:24 113:14	107 93:12
\$109,000 15:11	\$6,000 113:22	108 15:1
\$11,000 123:23	\$61,000 12:15,16 124:8	10847 111:14,21 114:21
\$11,057,000 118:23 121:15	\$61,000,000 12:13	11 119:6 125:21
\$120,000 130:16,18,22,24 132:2 138:24	\$620,000 79:15	11058 73:17
\$13,353,000 133:6	\$626,000 80:5	11135 73:17
\$130,000 81:19 82:4 83:10	\$7,054,000 121:23	112 46:5,12,13 50:23
\$135,000 92:23 93:4	\$700,000 52:18	11505 110:2
\$150,000 104:20,23 105:10	\$780,000 119:15,17	11:15 41:15
\$182,000 120:2	\$8,000 83:11	11:25 41:16
\$183,000 111:16,24	\$8,746,000 119:23	12 14:11 48:20 108:18
\$2,194,000 119:13	\$9,350,000 113:1	12090 125:15,17
\$2,295,000 113:21 121:24	\$9,490,000 97:9,24 98:17	122 82:13
\$2,310,000 121:16	\$91,000 12:10	12701 111:14,21 114:21
\$200,000 36:7 45:6	0	12789 53:20 56:9 75:18 77:5 123:14 129:6,7 130:21,24 132:2
\$216,000 14:5	0 108:10 121:3 122:12	12:30 22:1
\$217,000 54:10	057 119:6	13 23:20 24:10 67:1
\$220,000 53:16,18,19 58:13	1	13-4 50:19
\$223,000 10:14,23		130 93:4 94:2
\$250,000 46:19 48:6		133 103:9
\$29,000,000 23:19	1,3,5,7 128:24	135 94:2
\$3,000 54:12 58:14 93:22	1,4,5,7 128:24 129:1	13th 12:19 15:5 23:17 24:10 38:14,17 40:6 42:20 44:11,15 49:14 51:19 52:7,21 57:5 61:4 66:13 67:13,15 68:3 69:11 74:21
\$3,202,000 138:7	1,588,000 113:19	

81:13,15 97:8,22 103:10 107:9,10 113:23 117:14 122:3,19 132:22 137:7 139:12,14 142:3,21	24 77:15	41 13:18
140 67:1	24th 142:13	4192 53:20 75:18 93:8,9,13,20 111:13,19 114:18 123:14
1457 131:24	250 49:9	420 131:18
15 133:5 134:9	257 114:24 127:7	44 79:8 119:21,22
150 103:13 105:23	25936 110:2	4435 81:20
150,000 106:19	26 47:11,12,14,15,17 48:4 76:5 77:13	450 138:18
16 68:21 69:1 74:14	27 47:19 100:23 101:19 106:13 107:18 109:24 110:6 111:3,8 114:12,22 115:17 119:2,5 127:16 131:19 137:23	457 131:24
17 67:2 116:1	28 16:15,23 47:7,8 77:12 132:23, 24 133:3	4:00 137:15
17007 73:17	284 14:7	<hr/> 5 <hr/>
183,000 116:22	288 81:3,4	5 7:6 108:10 121:3 122:12
185 82:8	295 119:10,11 120:16	5,000 93:20
187 82:8	2:15 84:1,2	5-25 43:7,11,12 45:17
19 15:12	<hr/> 3 <hr/>	5.2 44:12,20
194 59:4		50 17:7 84:11 97:6,7,16 99:12,19 128:13
195 49:10		5126 125:15,17
1:10 83:20		5204 77:23 78:3
<hr/> 2 <hr/>	3 122:12	5226 111:14,21 114:20
2 108:10	30 17:9 104:5 108:22 122:2	525 45:3
2.1 24:13 80:11 81:8 83:9	300 36:11,14	535 43:23
20 4:11 13:18 77:12 104:4	30th 87:9	551 103:3
200 36:12,15	3298 12:9	5535 43:18,19 45:19 77:6,23 81:21,23 92:10,23 94:1 95:1 111:13,18 114:16 123:14
202 138:6	336 45:5	5589 100:22
2022 87:9	34 109:21 111:4 113:7 114:22 121:18,23 122:12,17	58 48:20
21 14:12,18 15:12 70:3	35 17:19 18:1	<hr/> 6 <hr/>
2135 125:15,17	350 121:19 122:17 123:22	6 108:16
2179 110:1	353 23:20	6.5 16:22 44:10,16 45:23 47:6
2188 122:3	357 127:7	6051 45:19
22 17:4 69:13 77:16 79:10,11,12 80:6,24 81:9 83:8 86:11 91:19,22 100:15,16,17 101:21 113:6 114:13 136:24 137:20	363 6:16	6074 100:19,22
220 58:20	37 73:15 89:11 97:9,24 98:17 99:20	6252 110:2
228 81:2	3:00 137:15	626 80:22 103:3 113:15
23 119:19	<hr/> 4 <hr/>	636 133:5
23534 43:20 45:19	40 17:5 69:4 73:15 89:12 122:1	6611 77:7,23
	400 128:11	

6623 111:14,21 114:21	9926 110:2	adjust 28:23
6:30 134:8,17,18		adjusted 23:19 132:21
	A	adjustment 15:3,20 35:16 70:4 132:24 133:2
7	A&g 13:2	adjustments 8:8,17 13:1 28:8
7 108:16 111:3	ability 85:19	admin 37:16
7,054,000 113:21	absolutely 29:13,22 34:1,4,5 142:10	administrative 64:23 105:10
7.6 111:8	accept 98:7 107:2 135:9	admit 121:11
700,000 17:2	acceptable 107:1	advertising 5:19 64:24 65:13
7269 110:2	accepted 107:4,7	advice 80:17
7322 77:7,23	accepting 120:4	advise 8:11 10:2 96:14 105:15
745 59:1 60:1	accommodate 21:19,23	advisement 117:24 120:8
750 46:17 48:8	accomplished 34:19	advisor 39:15,19
7562 111:14,21 114:21	accomplishes 34:17	affiliated 141:4
77 23:17	account 133:1	affiliates 4:15
79 70:2	Accretive 111:9	affiliation 22:14 141:8,20
7923 70:23 71:7	accrued 6:5 8:19 23:9 54:7 113:11	affirm 110:19
7:00 134:18	accumulative 63:17	affirming 115:20 116:14
8	acknowledge 100:8	age 19:7
8,000 82:13	acknowledges 7:15	aggregate 14:11 22:22 23:13
80 48:20	acquire 79:14 85:8,19,24 86:15	aggress 98:13
8206 100:19,22	acquired 67:20	agree 11:8 13:9 44:8,13 45:1,8,9 65:5 72:4 79:16 87:2,3 90:11 101:13 104:16,17 105:5 110:11
8240 110:2	action 90:16	agreed 13:17 91:21 110:4
8597 12:11 48:2	actual 14:23 24:15 31:24 116:16	agreement 28:22 36:11 55:22 63:12 64:10 77:9 78:11 95:24 106:24 108:15 110:5,9 126:6
88 132:19	Adam 38:16	agreements 35:16 37:8 63:8,15 64:12,16 65:6 125:4
9	add 8:14 100:18 103:5 108:5 110:16 114:9,23 118:15 119:3 123:1	agrees 16:4 79:3
9 108:10 122:12 132:24 133:3	added 8:16 46:19 63:12 75:4 113:18 116:22 122:13	ahead 77:1 128:13
9.95 108:12	adding 58:15 61:18 107:22 108:8 111:12 114:15 115:19,21 121:17	Akin 30:10 38:21
90 13:6 97:15 132:19,23,24 133:3	addition 77:21 125:6 126:10	aligned 126:8
914 81:5	additional 8:4 10:17 14:13 17:16 61:18 63:9 77:14,16 85:8,9,14,17 86:10 116:22,23 127:8 131:11	alike 45:7
93 121:3	address 117:5	allocated 18:23
930 43:16	adds 8:11	allocating 18:11
93504 131:18		allowed 90:8
95 17:7 97:15		alternate 23:24 24:5,6
9830 43:17 45:19		

alternative 113:23**alternatively** 13:10 16:19**Amanda** 4:4 5:5 21:4 25:10
32:14 44:6 46:23 48:23 49:4
53:12 55:3 69:15 72:21 76:19
84:8 87:20 109:16 112:22 117:11
121:1**amendment** 12:15,18 13:9**America** 7:13 39:14 75:5 90:13,
17**amount** 21:6 36:23 54:13 82:9
94:21**amounts** 72:16**and-a-half-million** 17:9**Anderson** 4:6,19 5:4**announce** 25:18,20,23 135:7**announced** 85:2**annual** 15:20**AP** 88:14**APA** 8:9,10 15:4 16:2,7 28:8
34:11 42:14 84:20,23 86:10,13
96:11 97:20 99:23 100:2 101:3,
10,12 105:8 110:8,12 126:8
142:7,11,14**apologies** 4:7 135:1**apologize** 72:14**Apology** 34:7**apparently** 4:9**appears** 117:20**apples** 93:3 102:20 103:22,23**applied** 102:19**applies** 16:1**approach** 85:16**approached** 13:5 92:1**approval** 106:23 107:12**approve** 96:17**approved** 96:17 100:24 101:1
135:6**approving** 108:14**approximate** 90:14**arbitrarily** 16:19 52:17**area** 11:17 18:9 23:10 55:18
121:18**argument** 48:7**arguments** 12:1**ascribe** 19:8**ascribes** 19:6**ascribing** 16:7**asset** 20:11**assets** 7:10,17,19 17:17 85:8,9
89:7,14 90:14 94:9 96:16**assigned** 142:11**assume** 28:21,22 29:5 34:20,23
36:11,13 42:17,18 48:8 76:4,10
87:3 95:18 96:12,13 124:22,24
125:3**assumed** 14:20,22 28:9**assumes** 42:13**assuming** 11:15 45:4 92:8 98:11
99:22 101:15 126:9,10,12**assumption** 36:21 63:11 88:2
96:9,10 125:20**assumptions** 95:17**at-minimum** 61:15**attached** 18:2 19:1 55:21**attachment** 18:3**attorneys** 31:17**attractive** 86:21**auction** 4:14 5:10,13 6:16,23 7:8
8:2 9:24 16:10,11 19:13,15 20:1
22:3,17 27:23 29:1,4 30:15,23
31:24 33:1,8 40:7 71:21,23 72:6,
7,13 77:22 80:15 84:14 85:1,4,18
91:10 95:14,19 96:11,16,22 97:1
100:6 102:14 105:17 109:1
119:10 132:18 135:17 136:4**auctioned** 7:17**awarded** 28:15**aware** 7:4 11:3

B

back 4:10 26:22 27:7 30:8,1931:18,22 33:20 41:22 44:6 47:4,5
49:4,14 51:1,18 53:12,14 54:3
55:8 57:5 58:7 59:14 61:23 67:10,
11 69:21 71:12 72:12 73:2,19,20
74:1 76:8,24 79:1 80:17 82:15
83:22,24 84:8 87:20 90:3 91:12,
19 93:5 94:16,24 95:3,9 96:18
102:10 104:14 106:7 109:15,16
112:8,9,21 116:11 117:10 120:12,
24 121:7,13 128:4 130:10,23
131:2 132:14 134:18,24 137:15**back-up** 19:18,22 22:11 25:23
26:21 45:15,16,20 50:18 51:5
52:13 61:15 63:22 68:24 69:7
70:1 74:17,20 85:2 132:15 135:10
137:6 139:10,13,21 140:7 142:2,
15,22**backup** 140:17 141:11**balance** 115:22**Bank** 7:13 39:14 75:5 90:13,17**banker** 5:1**bankruptcy** 4:16 5:21,24 6:1
17:21 19:16 23:4**based** 16:17,20,24 17:3 18:23
19:6,7 23:22 27:8 52:18 95:1
131:7**basically** 5:17 10:11 12:6,19
13:13 14:3 16:4 17:24 19:23
22:22 35:15 60:7 63:19 97:13
132:6 135:19**basis** 5:16 6:6 10:23 60:12
117:21 118:15,17**Battista** 26:14,15,22 27:6,11
31:20,21 37:6,13,19 39:8 41:2,7,
12 46:2,4,8,12,14,22 47:19,23
48:2,4,13 49:16 50:22 51:3,13
54:22 58:6 59:11,16,23 60:5
62:14 64:2,5 65:5,9 66:11 68:14
72:14,20 73:7 74:12 79:10 80:20,
24 81:4,7 82:19 83:5,13 91:17
92:5,6,15 93:20 94:1,24 95:6,9
99:7 110:16,24 111:5,12,18
112:5,10,14 114:11,18 115:7,11
116:2,18 117:2 126:19,23 127:4,
11,13,17 128:21 129:2,10 131:7
133:17 138:14,16,20 140:11
141:19**Bear** 76:14**beat** 80:18

begin 62:19	31:9 33:5,15 35:12,14 39:24 40:4 42:8 43:1 50:14,15,18 51:5,10 52:12,13,16 58:11 61:15 63:22 68:2 70:9 74:19,20 83:6 85:2 92:7,9,18,20 96:18 101:6 132:15 136:23 137:6 138:3,9,23 139:11, 13 140:7,17 142:2,15	brings 58:17
beginning 49:14 51:18 80:14 119:9 135:18		broke 115:5
behalf 30:11 38:22 39:6,8,13 59:23		broken 14:6
Ben 39:21		brought 38:7 135:15
beneficial 64:14,17 87:13		bucket 25:20
Bernstein 38:17	bidders 7:3,4,14 9:1,2 11:2 15:15 19:17,19 20:3 21:10 22:7,8,11 23:24 24:6 25:7 27:13 30:18 31:2 40:1 131:10 132:14,15 135:10,19 136:18 139:21 140:21 141:11 142:22	buckets 25:19
bid 7:8 8:7,13 9:1 10:21 12:18,20 14:14,19 15:5,12,22 16:16 17:5,9, 10 19:11,21 20:4,7,9,10,13,14,21 21:2,6,12 23:16,23 24:1,6 26:20 28:10 29:17,21 30:20 31:2,5 32:19,21,22,23,24 33:5,8,11,17, 21,23 34:3 35:17,18 36:8,17,18, 20 37:14 42:21,22 43:7 44:10,15 45:2,10,11,14,15,16,20,22 46:16, 20 47:6 48:19 49:8,15,24 50:8,11, 19,20 51:11,16,19,23 52:17,22 53:2 54:15,18,21,24 55:19 56:4,8, 16,18,19,20,21,22 57:6,8,14,24 58:12,22 59:1,6,9,24 60:8,10,11, 15 61:14,17 62:18 63:19 64:5,6,7 65:14,19,24 66:4,5,8 67:1,16 68:4,7,21 69:6,7,12,22,24 70:1,2, 3 71:1,19 72:15,17 73:15,17 74:16,17 75:2,13,14,24 77:2 78:5, 15 79:6,19 80:3,11,13 81:8,12 82:24 83:9 85:2 86:11 89:8,11 90:7 91:4,6,13,19,23 92:2,10,13, 16,22 93:4,11,13,14,17,19,21 94:18,19 95:1,6,19 96:6 97:8,14 98:3,16,21,24 99:3,6,10,13 100:9, 11,12 101:11 103:8,10,12,13,17, 20,21 104:19,23 106:9,14,16,21, 22 107:1,2,4,8,10,11,19 108:2,3, 4,7,11 109:21 110:3,7,18,19,20 111:6,10,14,23 112:2 113:1,4,18, 23 114:6,8,12,15,16,20,23 115:2, 4,5,8,11,14,20,23,24 116:12 117:13,19,21,23 118:4,8,17,18, 20,22 119:1,2,5 120:15 121:16, 17,23 122:12,17,20 123:1,22,24 124:2,3,4,13,19 125:23 126:1,4, 24 127:5,17 128:7,11,22 129:4,5, 6,9,16,17,18 130:13,15,16,24 131:7,11,15,21,23 132:1,7 133:4, 5,8,10,14 134:5 136:13 137:9,23 138:6,13,24 140:1,4,12 141:3,7	bulk 7:20	
bidder 9:9 15:21 19:17,18,21,22 20:5 21:5,18 22:7,11 24:5 25:14, 20,23,24 26:2,10,21 27:2 28:11	bidding 9:6 15:6 21:5,7 25:18 26:9 35:12 45:14 56:11 57:11 58:10 62:1 73:20 94:2 99:11 107:18 122:10 126:14 127:3 130:15 131:12	bulks 7:20
	bids 7:9,21 10:12 16:17 23:14,15, 22 24:12 27:9 28:14 29:12 33:12, 16 37:18 42:7 53:15 62:22 67:14 83:14 91:6 111:8 112:2 119:22 120:5 121:14 130:17 131:17 132:11 137:14	bundle 139:11
	Big 42:1	burger 5:18,20 7:13,14,15 8:18 23:4,24 24:13 26:15 32:6 35:13, 15,18 36:9,10,21 37:8,17 38:19 39:9,10 40:14 41:2 43:1 44:18 45:4,6 46:4,21 47:18 49:7 50:16, 17 51:7,11,22 52:4,11 54:9,20 55:13 57:21 58:15,23 59:3,8,23 60:8 61:6,11 62:9,12,14 63:2,16 64:11,16,23 65:12,19 66:14 67:16 68:1,12 70:24 71:4,13 72:15 73:6, 15 74:10,20 81:16 82:14,18,21 83:4 84:14 85:19 90:7,8 92:1,3,6 93:1 94:19 95:23 98:21 99:5 101:8 105:4 106:20,21,23 107:12 108:4,7,14 110:10,17 114:4 115:1 116:11 117:18 118:18,20 119:2,8, 11,12,14,16 122:13 125:4 126:12, 17 128:20 129:19 131:5,22 133:10,16 136:1,22 138:5 140:1, 22,23 141:12,17
	binding 16:10	business 32:12 63:1 90:4
	bit 15:16 17:24 44:21 48:6 76:12 83:17 85:5 97:15 110:15	businesses 90:24
	BK 44:18	buy 18:14 29:7 80:21 102:16 136:14
	bless 11:17	buyer 16:3 19:4 88:10
	Blue 19:7	buyers 8:9
	Bond 5:2 34:9	buying 36:6 81:1 90:21 91:1,3 92:19 135:9 136:2,8
	Book 19:7	buys 16:3 18:9
	bottom 13:16	
	bought 6:5	
	bound 19:20,23 33:11,20	
	break 10:18 21:16,18,20 22:7 31:23 41:13,18,24 42:1 47:1 59:20 60:6,17 67:6,9 70:12,14 72:21,23 83:19 84:4 85:17 89:24 92:1 103:2 105:24 106:4 108:19, 21 109:4,10 117:7 129:23 130:7 134:6,21	
	breaks 21:15	
	bring 46:16	
	bringing 33:19	

C
calculate 45:3 46:18 54:9 78:18 80:4 81:5,11 101:19 111:16 113:10,18

calculated 15:10 54:10 79:13
calculating 48:18
calculation 14:15 112:4
call 5:10 9:12 11:7,8 79:9 136:5,9 137:2
called 13:2 17:18 19:2 80:5,9
calling 6:16 7:7 9:11 22:24
calls 21:22
capacities 63:13
Capex 110:4
capital 4:23 5:1 12:19 15:5 23:17 38:15 44:11 74:21 97:9,22 113:23 117:14 137:7 139:13,15 142:3,21
card 32:13
care 21:11 105:20
Carolina 9:21,22,23 17:4,6 20:17,18 32:8
Carpenter 11:8 13:4 38:10
carry 76:11
carved 89:15
case 4:16 35:14 101:18
cash 8:7 12:10,12 15:24 46:12 50:22 79:19 86:15 87:1 88:1,3,24
category 52:15
causes-of-action 16:3 71:17 91:2,8
causes-of-auction 90:10
caveat 65:11
caveats 88:4
cents 64:18
CEO 13:3 38:11
certainty 101:14
certify 48:5
cetera 13:15 18:17 135:22
Chairperson 39:20
chances 94:19
change 24:2 28:10 29:6,8 42:17 59:5,9 74:22 78:10,14 79:15 80:5, 9 82:24 98:6 122:1

changed 91:11,20
changing 37:2
chapter 71:16 72:4 90:10,16 91:7
Chapter-11 37:9
charges 37:8
chart 13:13
charts 18:2 32:7
chat 31:9
check 56:10
Chicago 140:5
chief 4:19
choice 30:19
choose 20:4 33:6 36:12
Chris 39:21
Cindi 25:8 32:14,16 33:4 35:1 39:5 40:22 50:1 51:15 52:5 54:23 55:9 56:7 58:7 60:9 65:19 68:15, 19 73:8 74:13 77:10 99:8 104:6 106:7 109:17 112:22 115:6 121:20 129:12 133:18 134:3 138:2
circles 52:21
claims 16:5
clarification 32:20 35:9 47:6 48:1 65:21 66:8
clarify 35:2 50:19 55:10 73:14 88:9 89:7 112:22 114:8 120:14 127:14
clarifying 56:6
clarity 32:2 73:10 109:17
clean-up 95:13 96:24
cleaned 104:3
clear 31:1 71:2 77:10 80:19 83:15 88:15 99:11 107:17 125:8 129:3 132:4
Cleveland 9:14 10:24 14:6 16:14,15,22 42:4,13,19 43:6 44:11,15 50:16 75:2 78:16 79:9, 12 83:12 92:7,11,12 93:17 94:2 100:12,13,14,17 101:22 103:4 107:20 113:6 114:18 129:10 138:9 139:7 140:4

Cleveland/pittsburgh 56:23
Cleveland/youngstown 13:15, 19 20:16 24:18,21 26:19,20,23 27:8 44:19 46:5 47:8 49:11 56:12 75:17 76:3,5 77:4,19 82:1 83:8,14 95:1,7 97:4 98:18 111:19 113:16 114:14 119:18 137:21 139:7
Cleveland/youngstown's 80:7
client 32:18 55:13
close 18:21 19:22 21:9,24 32:24 62:2 108:16 131:12
closed 15:4 19:23 112:9 124:17
closes 19:21
closing 23:8 105:7
coexist 103:23
colleague 5:3
collusion 22:12,13 31:13 62:3 141:2,7
collusive 31:15
colored-coded 32:7
column 14:3 18:6 122:6
combination 57:12 75:2,13 117:15,19,23 119:22 120:5 137:16
combinations 104:21 139:20
combine 31:2 46:17 56:16 103:20 112:1
combined 31:6 56:24 88:6 118:8 127:5,17 128:22
comments 90:9 142:20
committed 13:10
committee 7:13 27:19,21,23 39:18,20,21 72:10 75:8 86:23 90:6
communicate 8:5
communicated 122:1
companies 85:23
company 18:20 26:16 39:9,10 41:3 44:18 46:4 47:18 49:8 50:17 51:11 58:23 59:3,8,24 68:13 92:6
Company's 119:2
compare 103:7

compete 125:22**complementary** 114:5,12
115:2,13 122:14 123:1 124:10
125:24 126:23 130:16**completed** 85:1**complexity** 122:8**complicated** 7:19 17:15 24:19
31:19 48:7,11 68:19 121:12 135:3
136:20 137:13**complication** 25:3**compliment** 84:12**component** 135:20**components** 48:14 82:10**concept** 43:5 106:13 139:23**concepts** 38:23 39:1,4 40:21
49:18 53:14,15 54:5 55:11 58:12
61:7 66:17 68:6 70:10 71:3 74:3
92:14,16 93:8 94:4,17 98:24
129:4 130:11 132:1 135:14
138:22 140:24 141:23**Concepts'** 92:22 93:19**concerned** 20:6**concessions** 13:18 14:2**conclude** 132:5**concluded** 25:22 117:12**conclusion** 22:3**condition** 105:8**conditionality** 101:9 110:9,12**conditions** 85:11**confer** 34:8 61:11**confirm** 88:21 90:17 97:21
102:23 104:15 131:14 137:9,10
138:12,24 139:10,17,18 141:1,12,
15,16,18,19,23 142:1,3,4,6**confirmations** 22:9**confirmed** 90:12 139:1**confirming** 111:6 139:19**confirms** 139:2**conforming** 78:13**confused** 19:14 90:24 107:16
121:5 131:9**confuses** 17:14**confusing** 17:11 121:11**conjunction** 110:18 135:5**connection** 127:5 128:22**consent** 96:7**consideration** 132:23**considered** 9:15,16,17,19 63:22**consist** 5:17**consists** 7:12**consortium** 131:20**constitute** 7:9**construct** 131:3**constructed** 29:16**consult** 22:6 26:1 60:18 61:20
67:9 80:16 120:11 124:15**Consultants** 30:12**consultation** 7:11,12,16 8:1
21:17 22:5 34:8 60:19 67:9 74:23
84:18 90:12,20 91:21 118:6 120:8
132:12 134:11 135:5,21 140:18**consultations** 80:17**consulted** 27:22 72:10**consulting** 94:22 134:11**contact** 96:19**contemplated** 60:16 91:7**contends** 11:23**contested** 105:12**context** 118:3**contingent** 96:6 107:2,5,6,8,11**continue** 84:1**contract** 28:9 36:14**contracts** 124:22**convenience** 10:6,13**conversation** 62:1 65:2**conversations** 107:15,16
108:18**convey** 88:7**copies** 4:8,10 5:9**copy** 22:21**Corp** 73:4**Corporate** 39:3**Corporation** 52:11 63:16 64:11
138:5**correct** 27:10 34:4,5 35:5 37:1
45:14,21 48:3 51:12,13 52:13
55:15,16 56:5 57:24 65:8 81:10
84:13 85:21 86:14 97:3 101:20,24
102:2 106:22 113:1,24 116:18,19
120:16 121:19 127:18 128:12
131:19 137:24 138:1,2 139:22
142:24**correction** 49:5**correctly** 90:17**cost** 34:16 36:8 97:17**costs** 5:14,15,17 15:24 16:20
23:19 24:22 29:11,12,20 32:8
34:11,12 35:3,19 36:4,7 37:17
44:11,18 45:4 54:9 60:2,3 61:16
62:22 63:5 64:7,8,20,23 65:7,13
67:21 82:13,15 83:11 95:21
97:10,12 99:19,20 104:2**counsel** 4:21 27:18 30:4 38:17,
18 39:17 61:20 90:6 134:15**counted** 29:20**couple** 10:2 17:16 22:9 25:9,12
39:24 44:22 59:11,16 84:15 85:16
88:3 119:20 133:7 135:11 139:10,
16**court** 5:6 7:12 9:4 21:1,3 25:11
29:18**covenant** 90:15 91:8**cover** 36:3**covered** 115:20 126:5**covering** 104:1**covers** 142:19**create** 80:11 86:17 103:22**created** 121:24 135:17**creates** 31:16 44:22 80:8 96:20
97:12 113:21 119:21**credit** 62:22**creditor's** 39:17

creditors' 27:19	81:16 82:21 85:19 90:7,8 98:21 133:9 136:1,22 140:22 141:12	derogatory 127:12
critical 142:9,10		describe 6:12 97:23
Crow 38:24	deal 19:24 24:16 93:2 136:5,9,13 137:3	describes 72:5
crunching 106:10	dealing 105:7	describing 80:3
curables 111:16 112:1	deals 96:19,20 135:9	destroyed 11:6
cure 5:14,15,17 16:20 23:19 24:22 29:11,19 32:7 34:10,12,15 35:3,19 36:3,7,8 44:11,17 45:3 46:9,15 48:9 52:18 60:2,3 61:16 62:22 63:5 64:7,8,19,20 65:7 67:21 72:16 79:13 80:21 81:2 82:9 83:11 95:21 97:10,12,16 99:19,20	Deborde 39:13 75:7 90:18 93:2	detail 5:13 24:21,22,23 32:12
cured 15:24 54:8 82:13	debtor 4:15 7:6,10 13:1,3 16:7,20 17:19 19:5 20:6 22:15 34:11,22 35:19 36:3,4,13,24 37:3 52:17 71:14 72:5 85:10,12 86:22 94:21 99:24 135:5 140:18 141:9	determine 7:8
cures 8:18,19,23 22:22,23,24 23:1,2,4 24:3 31:18 34:24 37:10 45:4,6 46:21 49:7 50:24 58:15 59:4 80:4,8 92:24 93:1,11 101:14 102:24 113:11,20 116:23 119:7, 10,13,23 121:22 125:7 126:5,6 133:4 138:8,19	debtor's 4:21 7:17 22:4,15 29:19 87:21 124:16 142:10	determined 12:4 136:22
currency 35:3	debtors 12:14,17 77:22 101:13 135:22 141:4	determining 135:7
current 6:5 11:12 123:21 124:2,3 126:8 131:24	December 87:9	detracts 8:12
cut 96:19	decide 20:8 22:5 33:17 60:19 104:8 120:12 132:13	Dickinson 34:9
	decided 24:21 52:17 84:24 140:7	difference 21:10 44:9 103:12
	deciding 22:6	differential 24:8
	declare 22:16 26:2 117:22 136:17	differently 107:13
	declared 19:17	difficult 4:9 10:10
	decline 71:16	digest 73:18
	decouple 10:10	dinner 22:2 134:8,17,21
	deduct 76:1,16 80:4	direction 125:20
	deductions 33:21	director 38:6
	deem 98:8	disagree 104:6 128:3 139:12 140:8,12,16
	defer 5:21	disagreed 135:23
	deferred 23:5	Disclosed 88:18
	define 11:17	discrepancies 79:22
	delay 34:7 84:9 117:11	discuss 65:3 101:7 114:7 118:5 120:8
	delays 74:7	discussed 33:22 85:18
	delete 15:19 16:6,8 42:17	discussion 44:3 49:2 53:10 54:1 55:6 60:18 61:12 62:5,13 69:19 73:22 76:22 78:23 84:19,23,24 85:3 86:21 87:18 94:14 102:8 104:12 109:13 112:19 120:22
	deleted 8:14,15	discussions 84:18
	delinquency 54:8	dispute 11:22 37:16
	delinquent 5:18,22 87:10	disqualifying 57:17 60:21
	dependant 132:10	District 4:16
	depending 14:12 23:12 124:14	DKC 93:11
		document 5:11 6:17 13:8 22:19 88:7

D

Dan 4:5,18 35:10 37:24 110:16
112:1,7 127:4 128:21

data 8:4 10:15

date 111:23 142:12

David 4:24 39:18

day 21:16,21 37:24 41:6 57:3,12
98:20

days 96:11

Dayton 9:16 13:19 17:1 18:15,16
20:8,9,21 24:24 33:17,18 51:6,9,
10,11,20,23 52:11 97:4 98:19
100:18 101:22 102:24 103:3
107:20 111:20,22 113:5,14
114:13,19 119:7,8,10 137:21
138:10 140:5

DC 23:24 32:5 38:19 40:14 51:22
57:21 61:6 66:14 67:15,16 68:1
70:24 71:4,13 72:15 73:15 74:20

documenting 13:12**documents** 5:8 6:7,12 97:11**dollar** 67:24 81:8 91:22 115:14
125:22 127:15**dollar-for-dollar** 29:20**dollars** 8:13 14:19 19:9 24:15
44:10,12,13,16,22,23 45:7 46:10
47:7 51:2 64:18 67:19 70:4 78:5,
7,8,15 79:7 80:11 81:6 83:7 86:7
87:6 88:3,24 97:13 101:12,18
118:18,19,22 124:20 136:24
137:24 138:18**Dooley** 4:4,6,18 25:10,15,21
26:6,10,13,21,24 27:10,14 28:1,
12,17,24 29:6,13,22 30:1,14,16
31:4,12 32:4,9,11,14 33:4,14
34:1,4,17 35:7,10,22 36:2,20
37:1,5,11,22 38:9,13,20 39:22
40:9,12,15,18,22 41:1,5,9,14,21
42:24 43:4,9,12,16,18,21,24 44:6
45:2,11,16,22 46:3,6,11,13,18
47:4,12,16,21,24 48:3,5,15,20
49:4,13,17,20,22 50:1,4,7,10,13
51:1,4,14,18,22 52:1,3,7,10,24
53:2,6,12,17,19,21 54:3,12,17,20,
23 55:2,8,17,23 56:3,6,13,17,22
57:2,5,10,16,21,23 58:2,5,7,11,21
59:13,18 60:3,6,11,14,21 61:3,6,
9,20,23 62:8,12,16 64:22 65:3,11,
18,22 66:2,5,7,13,17,20,22,24
68:10,15,19 69:1,4,6,10,15,21
70:3,8,12 71:2,7,10,12,20 72:5,
12,18,21 73:2,6,8,12 74:1,5,10,
13,16 75:8,11,19,22 76:4,13,15,
17,24 77:10,18,24 78:2,4,8,10,14
79:1,6,12,21 80:2,23 81:3,10,15,
20,22,24 82:3,5,8,12,18,20,24
83:3,6,16 84:7 85:24 86:12,18
87:8,14,20 88:18,23 89:5,11,18,
21 90:3,19 91:20 92:11,14 93:15,
24 94:3,11,16 95:5,8,11,20,23
96:5,14 98:2,7,11,13,16,23 99:2,
5,8,14,16,18,22 100:14,16,20
101:17,21 102:1,4,10 103:24
104:14,17,19 105:14,17,19 106:1,
7,17,19,21 107:1,6,14,21 108:1,7,
11,17,20,24 109:3,9,15,20,23
110:14,22 111:2,11,17 112:3,6,
13,15,21 113:4,10 114:2,17
115:1,10,24 116:4 117:1,3,10
118:12,14 120:18,24 121:7,10,22
122:22,24 123:4,6,12,15,19,24
124:5,9,11,24 125:3,8,12,16,18,24 126:4,12,16,21 127:1,9,12,19,
23 128:6,11,14,19 129:1,7,12,16,
20 130:1,4,10,18,20,22,24 131:4,
9,16,22 133:13,16,18,20,23
134:1,3,5,24 138:2,5,15,17,21
139:2,22 140:3,6,14 141:14,17,21
142:2,5**Dourney** 38:5**drill** 21:8 29:15**drive** 31:3**driven** 24:1**due** 87:4,6,8**duper** 51:14**Dupont** 4:8

E

e-mail 25:1 30:24**earlier** 22:23 44:17 72:19 102:13
135:15,18**earning** 94:22**EBITDA** 10:13,16,22**effect** 16:10**effectively** 15:4**efficiently** 109:1**effort** 63:4**elect6** 95:18**election** 96:12**Elgin** 18:13**eliminated** 67:23**eliminating** 8:23 37:2 139:20,24**Emmett** 28:4 39:11 45:24 49:20
50:10 54:17 58:3 61:9,24 66:20
68:10 74:8 99:2 124:12 128:14
131:4 133:23**Emporia** 10:4,12**encourage** 31:13**end** 6:9,21 8:2 26:3,23 28:18
29:3,7 42:9,10 103:8 104:22
115:15 137:11**endeavor** 109:7**ended** 27:8**engage** 22:12**engaged** 13:1**enter** 62:24 89:1**entering** 63:7 64:11**enters** 9:7**entertain** 124:16**entire** 111:23**entities** 86:1 87:23**entity** 86:17 87:2**enumerated** 55:21**environment** 11:13**EPA** 34:22**equipment** 17:19,22,24 18:1,4,7,
8,10,11,15,16 55:21,23 56:1
89:17,19**equity** 85:20 86:1,15 87:2,23
135:24 136:2 137:1**ERC** 88:13**Ericka** 5:2 34:9**error** 122:7**essentially** 36:13 65:18**establish** 7:7**estate** 6:3 8:11,24 10:9 13:2
31:16 44:23 48:18 51:2 54:13
58:14 59:7 61:19 64:8,10 65:24
66:3 67:4 71:14 78:20 96:20
97:18 103:9 105:11 116:12,17,20
121:16,24 123:23 124:3,7**estimate** 23:6 50:24**estimated** 14:4,15**evaluate** 23:21**evaluation** 36:16**eventually** 19:17**everyone's** 47:24 58:24**exact** 37:6**exceed** 112:2**exception** 35:11**excess** 98:5,10**excessive** 83:11

exchange 29:11	felt 64:13,15	frankly 85:11 105:20
exclude 28:20 70:19,24 115:18	figure 37:13 107:23 125:9 137:4	free 25:16 127:2 140:16
excluded 45:17 77:21 81:18 89:9 92:10,13 103:18 126:1	final 27:4 28:7 96:12,17 132:17	free-for-all 40:5
excluding 47:19,20 77:4,6,11, 20,23 81:1 82:14 83:10	Finally 119:18 138:21	Friday 142:11,12,14
exclusion 28:7	Finance 39:3	friend 93:2
excuse 35:9 67:2 133:18	financial 39:14,19	front 62:6 65:4
executed 12:15,18	find 96:5 122:16 125:11 136:11	full 21:13
existing 63:11	fine 56:19 79:23	function 14:20
exists 63:10	Finizio 27:17,18 39:16 57:8 71:24 72:9,10 75:10 90:5 91:5 107:10 129:8,11	furnishings 55:18
expect 17:12	fire 11:3,7 12:9 47:13,20 77:13	future 23:6
expenses 37:9 58:16	firm 13:2 21:5 140:6	
explain 17:12 68:4 84:16 92:4	five-minute 106:12	G
explained 122:5	fixed-purchase 29:4	
exposed 88:12,13	Flemming 39:7	gave 113:13 115:6,8 116:21
exposes 88:10	flexibility 101:16	general 25:15 27:2 28:4 39:11 68:11 73:4 82:16 99:2 128:15 136:7
extent 33:10 96:16	floor 12:19 23:17 24:10 38:14,17 40:6 42:20 44:15 49:14 51:19 52:7,22 57:6 61:4 66:13 67:13,15 68:3 69:11 74:21 81:13,15 97:8, 22 103:10 107:9,10 113:23 117:14 122:3,19 132:22 137:7 139:13,14 142:3,21	gentleman 129:15
external 64:9	flow 12:10,12	geographic 9:13 11:17 18:24 19:5 23:10 129:9
extra 33:24 63:13	focused 111:9 114:11 115:15	geography 23:12
extract 14:1	folks 136:1,6 137:18 138:22 139:12	Gianfranco 27:17 39:16 72:9 90:5
eyes 89:2	food 83:20	Giglio 25:8,12,17 26:3,8,12 32:16 33:13,19 34:2,6 35:1,6 39:5 40:23 49:12 50:3 51:17 52:6 55:1 56:8, 15,20,24 57:4,14,19 58:9,20 60:10,12,20 61:1 65:21,23 66:3,6, 10,23 68:17,21 69:3,5,9 70:21 73:9 74:14 75:16,23 76:7,14,16 77:2,16,20 78:3,7,9,12 79:5,11, 17,23 90:23 99:9,15,17,21 100:1, 15,17,22 101:20,24 102:3 103:15 104:16,18 105:2,16,18,24 106:9, 18,20,22 107:4,7,18,22 108:2,10, 13,19,23 109:2,7,19,21,24 113:3, 9 114:1 121:21 129:14,18 131:14, 20 133:19 134:4 138:1 141:16
F	forget 117:4	give 6:8 15:16 25:1 27:3,12 28:12 29:23 30:2 32:6,11,12 42:1 43:24 44:14 46:22 47:23 48:22 53:13,21 59:16 65:6 73:18 87:14 96:15 103:2,14 107:24 108:13 109:4,5 112:3 116:4 117:3 125:12 138:14
fact 29:2 74:21 103:24 114:2 117:13 136:22	forgetting 81:6	giving 32:3 68:23
fair 32:4 51:4 65:16 69:10,23 70:8 72:12 95:11 118:14 126:16	form 91:12 127:3	
fairly 84:22	format 20:2 22:22	
faith 141:3,8	forward 23:7 33:21 91:24 136:17	
Fans 19:2	franchise 28:22 35:15 36:9,10, 22 63:7,11,15 64:10,16 65:6 95:24 100:24 106:24 108:15 110:5,9 125:4 126:6 141:20	
fashion 123:2	franchisee 63:1 101:1	
fault 134:17	Franco 27:16	
favor 88:23	Frank 39:13	
favorable 8:10		
federal 87:5		
fees 5:18 94:22,23		
Feld 30:11 38:22		

God 11:17	hand 5:7 6:8,14 26:13 31:14	hundred 120:1
good 4:5 45:22 60:20 61:1 89:5 141:3,7	hand-out 8:6 67:14	hypothetical 30:17
grand 100:23	handed 44:17 97:11	
grant 31:10	handle 30:2 84:16 108:20	<hr/> I <hr/>
granting 106:23	handling 125:7	idea 37:21
great 32:7 47:16 60:20,24 61:1 66:10 96:20	hands 64:19	identified 18:2
greater 14:24 15:1	happening 91:17,18	identify 9:4 27:12 40:2
greatest 14:7	happy 95:16	illinois 9:15 13:20 16:24 18:13 20:20 24:14,24 51:7 58:18,22 59:1,3,4 60:11 61:7 63:23 66:9 67:1,2 86:3 97:5 98:19 102:1,3,4 103:18,19,21 104:1 106:15,21 107:22 108:5 110:1,5 113:5,17 115:9,12,18,20 116:1,11,19 118:19 119:2,12 126:2 138:11 140:13
gross 46:20 50:20 92:23 93:10 102:20 118:15,17	hard 80:3 96:5	immediately 103:1
grossly 84:10	hassle 11:15	important 8:5 9:1 21:2
ground 7:7	Haur 38:22	impossible 10:9,10
group 18:12,15 21:13 22:21 24:4, 6 25:9 28:5 32:22 39:6,12 42:9 49:10 50:15,17 51:16 54:23 56:7 58:8 60:9,17 61:11 62:6 63:1 83:7 84:12,19 92:8,18,21 97:14 99:24 131:11,13,18 132:17 137:19 138:4	head 88:19	improvement 15:23
Group's 84:20	hear 25:10 57:8 66:2 116:5 118:1 120:9	inappropriate 128:4
grouping 10:4 11:1 13:14 15:14, 19 16:2 17:17 19:4,5,12 20:11 21:13 26:7 30:13,16,21 33:7 42:12 60:16 67:6 79:9 80:13 89:13 118:4,5 126:21	heard 71:3	include 20:20 34:13 47:8,14 82:14 97:4
groupings 9:11,13,14 18:10 20:15,16 25:19 32:19 42:5,6	hearing 105:13	included 10:15 17:18 21:12 45:13 55:19 75:15 79:7 115:9
groups 104:20	heavily 24:1	includes 9:20 10:11 92:24 119:7
guess 51:7 75:11 87:21 90:23 92:7 96:14	held 44:4 49:2 53:10 54:1 55:6 63:20 69:19 73:23 76:22 78:23 87:18 94:14 102:8 104:12 109:13 112:19 120:22	including 20:17 22:11 47:21 113:11 116:1
Gump 30:10 38:21	hell 137:13	inclusion 28:19
guys 40:7,15 41:21 50:7 51:15 70:8 74:2 75:21 84:7 85:21 100:20 102:10 107:14 108:17 109:15 113:24 117:11 124:13,14 125:9 128:15 131:5 138:6,13 142:12	helpful 112:5 116:9	incorrect 135:16
	hey 29:17	increase 8:23 34:15 71:18 104:23 105:22 127:6 128:7,21,24
	high 79:24	increases 36:24 71:20
	higher 24:2 48:6 67:17 68:22 69:12 75:3 93:13 97:15,17 117:19 120:6 139:23	incredible 122:8
	highest 7:9,22 8:20,21 9:8 80:18 96:18 98:8 104:24 131:15,21 132:13 135:8	increments 20:14,21
	Highly 10:10	incurred 44:18
	Hilco 39:2	independent 38:6 135:6
	hold 6:20 110:6	independently 129:17
	Hotel 4:8	individual 42:5
	hour 83:22 84:11 122:11 134:19	individually 31:5 140:5
	hour-and-a-half 22:1	individuals 98:5
	hours 83:22 134:9 135:3,16	
	huddle 21:16 132:12	
<hr/> H <hr/>		
half 21:14 46:20 87:10 88:2,24 93:11		
hall 110:10		

Reliable Court Reporting

lines 29:10	21 92:2,16 96:12 98:14 99:9	50:23,24 51:2 59:1,4 60:1 67:19,
list 18:24 28:19 55:21	101:2 103:11 107:17 110:17	24 68:22 69:1,13 70:4 78:7,8,15
listed 18:4	114:5 120:11 124:7 131:11 132:8	79:7 80:10,11 81:2,5,7,8 83:7
listen 62:10	133:13 135:2	86:6,11 87:6 88:2,24 91:19,22
lists 18:4	makes 31:7	97:13 98:5,10 101:12,18 103:8,9
literally 64:6	management 22:15 28:5 39:12	108:8,9 110:4 111:8 114:15,23,24
litigate 105:12	45:23 68:11 73:4 82:16 99:3	115:14,17 118:18,19,22 119:4,6,
litigation 89:2	128:16 136:7	10,11,24 120:1,16,18 121:19
LLC 4:15 38:11	manager 135:6	122:17 124:19 125:22 126:24
located 10:6 18:5,8,13	market 14:12 22:23 24:18,19	127:7,15 131:18,24 133:5 136:24
location 18:24 92:9,17 93:5	47:8 75:19 81:22,24 82:2 83:12	137:24 138:6,18
124:17	102:24 113:11 114:17	millions 78:5
locations 17:20 35:13 55:14	markets 123:15	mind 25:3
101:6 110:6 111:8 114:20 115:9,	match 108:4	mine 122:6
12,17,22,23 116:24 118:21 119:4	math 56:10 98:9,15 111:2 116:10	minimum 16:16,23,24 17:7
124:20 129:9 132:19,20	118:11	52:17 86:4 106:18 108:6 124:21
long 5:9 11:11 22:18 25:4,5 42:1	Matt 11:8 13:4 38:9,10,13	minimus 54:13 94:21
84:10,17 134:7,13,16 137:14	Matthew 4:21	minus 36:12,14 56:9 81:8 100:15
long-term 64:15	Mcdiffie 39:15	minute 53:4 55:1 68:17 70:11
longer 7:15	Mcnulty 28:3,4,14,18 29:3,9,14,	minutes 4:11,12 9:3 41:15 59:11,
lost 47:22 133:1	24 35:20,24 36:18,23 37:4 39:11	17 61:10 84:11 106:1 108:22
lot 137:13 142:7	46:1 49:21 50:12 54:19 58:4	109:5,6,8 122:1,2 134:9
lots 80:15 97:21 107:5	61:10,22 62:7,11,17 64:4,6 65:1,	missed 43:21
love 63:1	8,10,16 66:21 74:9 95:16,22 96:2,	mission 104:1
lower 13:22 24:7	9 99:4 124:14 125:2,5,10,14,17,	misspoke 121:2
lunch 21:24 67:10 83:20 84:2,4,	19 126:3,7,14 128:17	mistake 76:18 82:12
10,17	means 10:8 15:4 20:2 35:2 91:13	misunderstood 89:3
lunchtime 67:7	103:13	mix 9:7 126:18
<hr/>		
M		
<hr/>		
made 4:10 8:9 28:7,8 63:4 89:11	measurement 41:6	modification 63:21 72:11 77:8
92:13 93:8,9 103:20,22 136:23	mechanically 30:2	78:12 90:7
142:7	mechanism 62:24	modifications 101:2
Madison 11:3 12:9	meet 7:24 22:4 88:20	modify 101:12
maintain 55:13	member 38:11	moment 138:14
maintenance 80:1	memorize 17:13	money 54:13 63:5,14 94:21
make 8:16 21:22 30:24 35:16	memory 58:24	133:1
40:2 42:17 48:10 59:8 60:15	mention 135:12	month 5:23 17:20
61:17 63:21,24 68:21 72:15	mentioned 114:5	months 5:19 17:20
74:22,23 76:18 78:13 79:3,21	Mike 39:14	morning 4:5,8,20 6:10,13 97:11
81:17 82:6 88:14 89:1,3,13 90:8,	miles 19:8	Morris 4:6,18 5:4
	million 12:21 14:18,20 15:12	move 49:10 51:5 57:9 91:24
	16:17 17:5 19:9 24:13,15 42:23	96:24 124:12 131:13 132:3
	43:5 44:10,12,13,16,20,23 45:7	136:17
	46:5,10,12,15,16 47:6 48:8 49:7,9	

moved 10:23 127:2	18 92:12 98:22 122:23 133:12 134:2 141:13	offering 9:7 92:21
Moving 52:14		offers 94:23
Muchin 39:6	note 94:20 97:19 118:7	office 4:10
multiple 19:18	noted 72:12 126:17 128:6,8	officer 4:19
<hr/>		offset 63:18
N		offsets 61:16
<hr/>		Ohio 4:16 9:17 11:3,20,21 12:9, 11 18:15,16 20:8,9,21 77:6 86:3 98:19 101:23 137:22 138:10
Nathan's 19:2	noting 120:5	one-half 46:9 50:23 92:24
natural 80:11	notion 87:22 137:2	open 20:1 26:9 62:6 87:22 137:2 142:17
naturally 93:5	nudges 15:17	opened 89:2
necessarily 8:21 76:2 115:13	number 5:8,19 8:13 13:17 14:10 18:19 21:6 23:22 24:14,15 26:5,7 47:9 60:5 67:3 71:5 84:21 106:16, 17,20 113:8 117:16 119:19 120:2 122:12 124:23 131:24 132:2 141:2	operated 64:13
needed 78:13	Number- 7:5	operates 18:20
negate 86:6	number-1 67:18	operating 6:23 85:23
negative 59:7 97:18	Number-12789 130:15	operations 35:13 55:14
negotiate 11:16 13:4	number-2 67:19	opportunity 100:5 101:4
net 8:20 15:23 23:20 36:11,14,15 44:23 48:18 58:14 66:8 67:3 78:19 81:8 97:12 102:19 103:8 113:21 116:12,14,16,20 117:20 119:24 120:15 121:15,24 122:3 124:3,7	Number-3 67:21	opposed 17:12 31:6 63:10 88:8
nets 123:22	numbers 17:14 44:8,24 65:15 78:1 79:2,4,16 80:10,12 102:22 103:5 104:7,15 106:10 112:23 113:12,24 121:14 125:9,15	opposite 11:1
neutral 79:20	numbers-23-50001 4:17	option 31:6 57:17 69:8,9 86:12 96:2 105:1 122:13,14
night 83:23 85:6	numerous 84:17 85:10	options 94:18
nine-and-a-half 12:21	Nunez 4:22	order 7:12 9:10 45:18
nominally 60:7	<hr/>	
non-bid-for 118:21	O	
non-illinois 115:4	<hr/>	
non-insider 90:10 91:7	object 61:24 71:23 72:11	originally 91:6
non-virginia 12:20 14:17 24:4 98:18 110:21,22,24 111:6,8,13 112:10,11,13,24 115:21,23 118:20 121:18 122:10 126:21 136:21 137:12 139:14 142:23	objected 71:24	originating 61:17
nonbinding 71:22	objection 75:6,9 90:19,22 118:1 120:9	orphan 131:23 139:4
noon 142:11,12,14	obligated 7:24 32:24	orphans 127:10
North 9:21,22,23 17:4,6 20:17,18 32:8	occurred 5:24	ostensibly 97:15
Northern 4:16 32:5,10 38:18 40:13,17 43:3 49:23 51:24 52:8 53:1 57:22 66:16 70:19,22 71:8, 18 72:3,7 81:16 82:23 85:22 86:2, 9,14,19 87:11 89:16,20 91:13,15,	off-site 55:20	outbid 127:20
	offer 7:10,23 27:4 29:17 80:18,19 81:18 82:6 86:9 93:8,9,10 104:24 105:1,22 127:7,15,24 129:13 135:8 136:23 137:19	overbid 16:19 34:2 45:20 70:6,7 102:15,18 106:18 108:6 112:24 114:3 132:8
	offered 86:12 95:3 102:16 117:18	overlap 115:14
		overstated 100:3
		owed 86:7
		owner 141:9,20
		ownership 22:16

P		
p.m. 83:20	Paul 26:13,15 31:19,21 37:5 39:8 41:1,6,16 46:11 47:16 49:22 51:12 54:20 58:5 59:10 60:8 68:11 73:6 82:18 83:3 92:3,5 99:5 104:4 114:4,17 128:19 129:8,12 131:4 133:16 134:1 138:12	5,12 78:16 79:8,15 80:6,21 83:8 93:7,17,21 97:5 98:19 100:10,11 101:21 103:3 107:19 111:20 113:6,15 114:14,19 119:13,17 123:19 137:22 138:11,23 139:6
package 11:19 17:8 28:15 112:12	pay 29:23 34:11 35:24 64:19,21 87:3	Pittsburghs 93:9
packages 136:13	paying 5:24 64:8 67:18 126:10	pivot 142:15
packet 6:14	payment 34:23 65:7	place 68:3 130:5
Padilla 39:10	payments 23:5,6	play 123:9,10
Page-2 23:14 67:14	peel 71:4,16 72:4	plenty 6:18
Page-3 15:15	peeling 70:18	pods 18:12
paid 5:23 23:11 37:9 87:6,9 116:19	Pennsylvania 9:18 52:15,16 123:17 129:10	point 6:4,9 7:5 8:22 14:14 15:12 26:2,10 27:4 43:9 49:7,9 59:14 68:2 69:7 70:5 80:10 83:8 90:13 91:10 94:17 97:13 101:11,18 103:7 105:1 108:7,8 110:3 114:15,23 115:3,13,17 116:5,6 117:4,16 118:18,19,22 119:1,3,5 120:10 124:19 126:1,20,24 127:2, 15 131:6,18 135:15 137:23 138:17 142:10
Pardon 12:15 82:12	Pennsylvania/pittsburgh 13:20	Point-5 6:24
paries 80:17 90:12 132:12	people 6:18 8:11 21:21 25:18 27:3 31:5 42:1 71:2 75:12 85:5,16 96:6 139:17	points 8:3
part 7:18 10:16 19:10 29:9,16 34:12 56:4 71:17 73:17 74:7 83:14 86:10 89:8 96:15,21 112:11 129:5,6,9 136:12 137:4	people's 96:7	police 47:13
parties 7:11,12 8:1 19:20 21:17 22:5,6 34:8 60:19 67:9 74:23 84:18 86:22 91:22 118:6 120:9,11 134:11 135:6,22 137:17 140:19	percent 14:11 94:6	politically 84:13
partner 39:18	percentage 14:10	portfolio 69:3
partners 129:14	Perdue 39:9	portfolios 140:2,3
parts 32:23 33:3 100:8	period 11:11	portion 21:14 50:23 115:21
party 7:16	person 18:9	posited 115:4
pass 20:13 25:13,16 30:12,15,16, 18,19,20 43:3 49:12,13,16,19,21 50:6,8,9,11,12 51:17,21,24 52:2, 4,6,7,8,9,10,23 53:1 54:19,22 57:4,5,7,22 58:4,6 59:14 61:5,8,9 65:18 66:10,14,16,19,21,23,24 68:9,10,14,17 69:22 71:11 73:5,7, 9 74:9,12 81:14 82:17,19,23 83:5 94:19 98:22 99:1,4,7 122:21,23 127:22 133:12,15,17,19,22,24 134:2,4	personal 33:20	position 87:21 140:9,18 142:23
passed 50:7,13 52:4 72:19 74:4, 5,6 94:8 119:9	Peter 39:9	positive 54:14
passes 25:13 61:6 63:23 81:16	petition 11:24 37:7 58:15 65:13	Posner 39:19
passing 46:1 50:3 57:19 81:15 127:23	phone 21:22	possibility 68:23
Pat 5:3,7 6:7,14 18:22 32:13 48:21 132:24 138:7	phrase 127:13	Possibly 57:2
	physically 18:5	post 37:7 58:15
	pick 115:22	post- 65:12
	pick-up 67:24	post-petition 54:9 82:15 93:1,12
	picking 124:16	potential 101:8
	piece 111:9 116:1	potentially 97:7 121:13 124:18
	pieces 28:6 31:14 33:3 34:3 46:17 75:4 80:15 116:15 135:19	pre-bankruptcy 23:3
	Pittsburgh 9:18 17:2 20:21 24:24 51:6 52:15,16,22 53:3 54:18,21,24 55:18 56:9,17 57:11, 13 58:12 75:3,17,22,23 76:6 77:3,	pre-petition 88:14

pre-petitioned 64:21
preference 88:1
preferences 16:4
prepared 65:17 109:3,4 110:20
prepetition 38:7
Prescott 38:16
present 21:1 92:9
presented 62:19
pretty 11:6,10 15:7 21:24 96:5
previous 123:23
previously 77:21 107:19 109:24 110:7,20 128:8
price 8:21 9:6 23:18,20 24:2 28:9,10,23 29:4,7 34:13,15 35:4 36:4,11,14 37:2 76:1 77:9 97:12 102:19 121:15 132:21
pricing 67:22
primarily 13:3 16:4 24:7 89:19
primary 23:14 86:23
prior 30:23 38:7 128:11
problem 25:1 62:1 74:24 108:21 125:12
problems 99:23 100:2
procedure 94:18
proceeding 5:7
PROCEEDINGS 4:2
proceeds 15:23
process 5:11,21 6:1,9,13,16 13:11 22:13 38:8 110:17
profitable 13:23
pronounce 22:13
property 6:3,4 8:20 22:24 23:9, 11 44:19 54:7 113:11
proposal 87:12 115:16
proposed 115:2
proposing 80:21 115:24
prosecute 16:5
proven 41:23
provided 102:13

provision 8:15,16 16:2,7
pull 62:18
pulled 11:19 17:23
pulling 11:14 12:5
purchase 23:18 28:8,10,23 34:13,15 35:4 76:1 77:9 91:7 97:12 102:19 132:21
purchasing 55:22 71:16 90:9
purpose 72:6,7
purposes 19:13,24 55:15 71:21, 22 86:16
pursue 90:15 91:9
push 84:24 85:10
put 7:22 33:21 63:5 65:24 80:16 93:5 96:19 111:1,23 116:2,15 121:7,14 122:15 124:21 127:24 132:11 135:13 142:16
puts 128:12
putting 10:20 83:17 88:8
puzzle 83:18

Q

qualified 7:4,14 9:2 20:3,5,10 25:6 27:12 30:18 33:5,7,15 40:1 112:24 114:3
qualify 45:17 54:15
qualifying 33:6 114:7 117:13,23
question 27:20 28:2,3 29:10 31:18 32:18 34:10 48:16 61:21 68:20 71:13 72:1 103:14 105:3 115:8 118:14
questions 6:19,20 20:24 22:20 25:5,9,12 26:15,17 27:15 30:7 35:8 37:23 41:4 132:16 136:16
quick 41:13
quickly 38:4 102:23 135:12

R

R.j 38:3
R.J. 38:5
raise 120:10

re-affirmed 115:11
re-bid 58:3 82:21
read 77:18
ready 31:22 41:22 74:1 84:8 130:11
reaffirm 129:18
real 6:3 8:5 10:8 13:2 102:23
realize 141:21 142:20
realtime 106:11
reap 105:11
reason 13:22 31:8 67:18,19,21 94:24
reasonable 7:7
reasons 67:17
rebuild 11:9,10
recall 18:21 74:8 102:14 137:20
recess 31:8
recite 90:16
recognize 19:15 122:9
reconcile 79:17
record 4:4 22:9 27:17,21 32:15 41:22 44:1,4,6 46:23 47:4 48:23 49:2,4 53:6,10,12,22 54:1,4 55:2, 6,8 59:18 60:15 61:23 62:14 69:16,19,21 72:9 73:3,13,23 74:2 76:18,22,24 77:18 78:20,23 79:2 84:8 87:15,18,20 88:9 94:11,14, 16 102:5,8,11 104:9,12,14 109:13,16 112:16,19,21 117:11 118:7 120:6,19,22 121:1 128:3,9 129:3 130:10 135:1 140:11 142:21
recording 5:6
recount 110:15
redo 110:15
reduced 91:14
reduces 12:19 15:11 35:19
reduction 14:16 15:7,9,13
Referral 88:13
referrals 36:9
referring 55:24

reflect 101:3
refresh 58:24
region 77:3
Rego 4:24 32:1
regular 70:4
reimburse 36:1
Reinvest 4:22
reject 11:18 35:18 36:14
related 90:24
relation 115:5
relationship 141:22
relative 12:2 14:9 74:13 84:21
 85:7 104:1 135:24 136:6,13
 137:12
remained 11:2
remaining 114:19
remains 36:18,20
remodel 101:8 105:5 107:8
remove 101:9 105:7 110:8,11
removed 29:18 33:22
rent 23:2,3 54:7
rents 5:22,24 44:18
reopens 118:2
repeat 50:22 77:24 78:2 111:17
reporter 5:6 9:4 21:1,3 25:11
represent 9:5
representative 38:24
representing 25:9 26:15 32:17
 39:3
request 31:23 32:6 74:22
reserve 26:24 27:1 60:13 63:23
reserves 27:23
resolve 85:13 132:9 134:12
resolved 99:23
respect 69:11 87:5 128:8
respectful 106:11
respectfully 100:2
responsibility 29:19

rest 41:6 101:6
restaurant 10:7,16,22 11:3,6,11,
 21,24 12:5,10,11,12 13:14 17:17
 30:11 36:6 38:22 39:1,3 40:21
 43:5 45:23 47:13 49:17 53:13,15
 54:5 55:10,17 58:12 61:6 64:2
 66:17 68:6 70:9 71:3 74:3 80:14
 83:12 92:14,15,21,22 93:8,18
 94:4,17 98:23 119:15 129:4
 130:11 132:1 135:14 138:9,11,22,
 23 140:24 141:23
Restaurant-3298 11:4
Restaurant-6600 10:5
Restaurant-8597 11:21
restaurant-by-restaurant 5:16
restaurants 9:16,17,18,21,22,24
 12:8,20 13:5,6,17,24 14:5,11
 16:15,23 17:1,2,3,7,8,23 18:1
 20:17,19 21:6,9,11,12 23:17 24:4
 28:16,19 45:12,18 46:6,8 47:7,9,
 10,17 50:15 64:4 67:20 72:16
 75:14 79:8,12,14 80:6,7,20 81:1,9
 82:5 83:10 102:17 111:13,15,20,
 22 116:22 119:8,17,21,22 130:13
 131:12,23 133:11,14 136:12,15
 137:18,20,21,22,23 138:4,10
 139:3,4,14
review 6:10
reviewing 124:1
revise 130:12,14
revised 49:8
revision 113:18
revisit 128:4
rights 27:24 60:13 124:17 125:11
risk 12:4 88:15,17,20
road 27:23 31:1
room 10:15 26:19 39:23 42:2
 130:2 133:7,21
Rooney 39:19
Rosenman 39:6
roughly 44:12,19 48:6 58:14
 70:5
round 44:24 57:20 74:11 80:10,
 12 120:2 121:14
rounded 12:22 15:11

royalties 64:24 65:13
royalty 5:18
rule 35:11 106:12
rules 7:8 27:22 30:24 32:3 40:7,
 16,20,23 41:3,8 102:14 135:17

run 6:21 112:23
running 130:13
rush 108:23,24
rushed 109:2

S

sake 48:7
sale 6:4 105:12,13
sales 23:7
Sara 45:2
Sarah 30:10 31:10 38:20,21,24
 40:18,19 43:4,13 45:19 48:15
 49:17 50:8 52:1 53:2,13 54:5
 55:12 56:11 57:23 70:9 74:3 94:4
 98:23 103:22 116:5,6 117:4 118:9
 120:13 121:4 122:24 127:23
 129:21 130:11 133:13,18,21
 135:14 139:2
Sarah's 94:17 118:1 120:9
satisfy 65:12
savings 13:4,7,8 14:4,10,15,16,
 20,22,23 15:20 67:23 105:10
scenario 125:23
schedule 101:8 105:6 107:9
 110:11
schedules 88:18
Schuetz 5:4
Schultz 30:10,15,22 31:11 38:21
 40:19 43:7,11,15,17,19,23 45:1,9,
 15,21 48:17 49:19 50:9 52:2,9
 53:4,15,18,20 54:11,16 55:16,20
 56:2,5 58:1 61:8 66:19 68:9
 70:11,17,23 71:6,9,11 73:10 74:4
 75:20 81:17,21,23 82:1,4,7,10
 83:2 94:6 99:1 112:7 116:8
 118:10,13 120:14 121:6,9 123:3,
 5,8,14,17,21 124:1,6,10 128:2,7,
 12 129:23 130:3,14,19,21,23
 131:2 133:15,22 139:1 142:1

scrape 11:9	sit 96:3	stating 128:2
Secondarily 5:22 11:20	situation 10:4 11:2,23 33:20 50:18 74:20 92:17,23 102:15 136:20 137:6	stay 130:5
section 25:22,24 56:18 132:6	situations 85:17	stayed 93:22
sections 97:1	six-and-a-half 16:17 42:22 43:5	staying 74:14 128:17
selected 96:17	Six-and-a-half-million 42:24	step 29:15 105:5
selling 87:22 104:20,21	slash 9:22 10:24 17:4 75:2 91:3 101:22	Steven 39:7
sense 31:7 63:24 89:3 127:12	small 18:19	stick 34:22 111:7 115:16 131:8
separate 86:10 88:5,7 93:14,16 136:3	sold 7:20	Stockton 27:18
separately 10:19	solely 79:18	stop 7:2 87:14
sequence 16:12,14 42:6 51:15 52:21 122:19	sorts 84:13	store 10:6,13 24:8 70:20,23 71:4 76:3 77:14 95:2 101:13 112:11 125:9,15 130:15,18,19
sequentially 20:12	Sounds 60:20 61:1	Store- 43:19 129:5
services 38:12 101:5,7	spare 17:18 18:4	Store-12789 53:16 123:10 128:9
set 61:11 100:10,12	speak 8:6 32:1 40:11,12,14,20,24 41:2 72:1	Store-4192 53:16 123:11 128:10
settle 29:17	speaker 41:8	Store-5535 43:17 81:18 123:10 128:9
settled 64:8,9	specific 21:9 33:7	Store-6051 43:19
shakes 23:13	spend 63:14	Store-7923 70:24 71:6
sheet 35:23 44:17 45:19 72:18 119:9	spent 63:3 137:14	Store-8597 48:1
sheets 97:10	spokesperson 40:4,10	Store-9830 43:15
short 41:18 47:1 59:20 70:14 72:23 89:24 103:14 106:4 117:7 129:23 130:7	spot 63:24	store-by-store 24:22
show 102:23	spreadsheet 102:13	stores 9:5 24:9,11 32:8,22 33:22 34:3 43:8,10,12,14 49:6 53:19 55:24 56:11,12,18 58:13 59:2 64:12,13 69:2,4 70:2,22 73:11,14, 16 75:17,20 76:5,6,11 77:11,13, 17,19 78:16 89:8,12,14,17,19 93:16,19 97:3,6,7,9,16,24 98:17 99:12,19,20 100:10,11,12,13,14, 16,17,18,23 101:19 105:6 106:14 107:18,23 109:22 110:5,21,22 111:1,3 112:9,11,13 113:1,4,5,6, 7,17 114:10,12,16 116:1 117:1 121:18,23 122:10,12,18 123:22 124:9 126:2,22 127:9,16,24 128:8 129:3,8 136:21 137:12
Shur 38:17	stalking-horse 12:18 14:14,19 15:5 16:18 23:16 97:8 107:11 132:7,22 137:7	Stores-4192 56:9 77:5
shut 17:19	stand 61:14	Stores-5204 77:6
side 83:9 122:16 137:1	standalone 60:12 118:8 121:17	Stores-5589 100:18
sign 36:11,13	standpoint 63:7	Stores-7923 70:18
signed 13:9 142:14	stands 63:20 95:12	straightforward 30:6
significant 5:15 15:7,23 67:24 79:22 84:22 85:9 91:5 102:16,17 105:7	start 4:13 5:13 16:14 26:6 30:5 31:23 38:2,7 40:6 41:11,16 42:3, 12,19 52:20 59:7 68:4 75:12 81:13 98:3 102:12 122:18 128:2 132:7 133:9 135:4	
significantly 24:1 67:16	started 122:11	
similar 15:13 23:1	starting 4:7,20 26:4,18	
simple 48:10	state 21:3 27:21 32:15 142:20	
SINGH 86:6 88:16,22 89:4,10	stated 110:1	
single 42:12		
sir 28:2 46:22 127:11 129:2		

stranded 139:3,4	talked 16:13 30:23 122:15 135:18,21	110:12,15 121:8 123:7,12 125:16 127:2 133:20 134:12,16 137:14, 15
Stratton 39:2	talking 31:1 47:17 64:3 73:11 94:20 105:9 111:5 126:20 128:23 129:4	timeline 142:16
Strauss 30:11 38:22	tax 87:3,5	times 14:21 15:11 21:21 41:24 67:22 119:20 133:7
stretched 14:21	taxes 6:3,4 8:20 22:24 23:10,11 37:9 44:19 54:7 113:11	title 16:3
strike 36:21	team 22:4 79:3 104:15	today 9:11 14:24 15:5 20:8 86:22 96:22 98:9 101:7,13 110:13
stronger 88:1	technically 37:10	told 32:21 134:15
struck 16:20	ten 12:20,21 17:1 41:15 59:2 64:4 109:5,6,7 115:12 119:3,12 120:1, 2 138:10	tomorrow 136:5,9 137:2
structure 5:11 6:16 34:21	term 16:9	Toms 4:15 38:11,12 86:15
structured 60:23 61:13	terminate 12:7	top 63:5 64:7 65:19 88:19 122:17, 20 133:4,8,10
subject 65:2 90:8 92:21 106:23 108:14 110:4	terminated 11:23	topping 74:16
submit 33:11	termination 12:3	total 13:17 44:17 46:16 59:3 65:23 66:3 80:8 81:4 100:23 101:19 108:3,11 111:14 113:7,20 118:23 119:6,21 121:15 123:22 125:14 137:22
submitted 32:19 33:1,11 42:14 75:24 99:13 142:8	terms 9:8 12:24 21:15 24:2 36:2, 3 37:17 42:14,18 64:18 78:10,11 85:11 117:24 136:1	totaled 11:6 14:5
subsequently 42:8	Terri 39:2	Tough 22:12
substantially 97:17 99:18	territory 18:11 19:3 27:3 89:12	Townsend 27:18 39:17 90:6
successful 28:11	theoretically 36:5,6	trailing 10:13,16,23 12:8,10,12
sufficient 109:6,8	thing 14:13 20:23 22:19 34:18,20 40:2 41:23 62:2 84:13 89:6 91:4 105:21 132:4 136:9 139:18 141:5 142:5,9	transaction 6:2 88:6
suggest 83:24	things 10:2 15:17,18 39:24 84:15,21 85:14 135:12,13 137:10 139:10,16 141:2,6	transition 86:16,20 101:5
suggesting 114:8	thinking 93:22 103:16	treating 62:21 107:13
suggestive 26:7	Thomas 38:6 85:20,21 86:2,3,5 87:22 101:7	true 12:2 69:24 103:12
sum 98:4	thought 10:18 63:6,12,18 94:8 112:9 116:11,14 120:15 135:16	two-part 28:3
summarized 13:7	thousand 12:21 44:22 67:1 103:6	typically 27:5
summarizes 13:13	throw 126:18	
Super 39:22 40:18 41:1,9 51:14 54:17 57:23 142:5	tied 72:17	
superior 120:2 122:2	time 5:9 6:4,9,18 11:11 26:2 30:20 41:10 46:11 50:1,4 52:5 58:3,5 59:14 63:4 66:14,18 67:11 68:2 69:7 70:10 74:6 80:3 82:22 85:5 88:21 100:21 105:1 107:24	
supplemented 129:17,19		
supposedly 81:1		
surprise 42:2 123:4,5		
<hr/>		
T		
<hr/>		
table 5:8 6:8 20:13 38:2 40:5 45:23 66:1,4 69:23 81:12 108:21		
takes 87:2 132:23 133:1 134:16		
taking 24:9,10 88:15 103:19 125:21 140:10,19		
talk 30:4 57:16 65:1 96:3 112:15 116:6 121:3 130:1,3		
<hr/>		
U		
<hr/>		
Uh-huh 76:13		
ultimately 63:3		
unacceptable 85:11		
unclear 33:2		
uncontested 12:6		
underestimating 84:10		
understand 10:12,22 16:9 18:18 28:12 31:14 40:7,15,20,23 41:3,7 42:7 44:8 46:15 48:15 55:12		

64:22 68:22 69:10 71:23 72:15 76:17,18 78:14 83:16 87:4 89:1 91:5 93:15,24 94:3,4,7 95:5,8 99:21 100:23 101:17 112:14 116:16 139:11 140:8 141:21	waive 46:9,14 60:1,3 65:6 waiver 46:20 48:9 138:7,18 waiving 50:23 walk 6:15 116:9 118:10,24 137:8, 9 walked 4:10 wanted 27:7 33:23 48:13 65:1 114:5 130:12 Ward 4:21 37:16,21 69:24 98:4,9, 12,14 127:14 Warren 11:21 12:11 water 62:18 ways 61:16 weekend 142:8 weeks 11:5 wether 31:10 whooping 66:12 whopping 66:9 winner 22:16 winning 19:17,21 22:7 25:24 27:2 50:15 85:2 92:18,20 101:6 103:21 132:14 135:10 136:18,22 138:3,8,22 140:21 Womble 4:21 5:2 34:9 word 22:13 66:11 work 10:19 60:24 63:6 96:8 100:4,6 108:17 135:3 worked 136:14 working 13:3 33:3 117:15 works 19:16 67:13 118:6 worth 12:4 108:12 writing 13:10 wrong 67:3 122:6	Youngstown 9:15 11:1 42:4,13, 19 43:6 44:12,16 50:16 75:2 78:16 79:9,13 83:12 92:8 101:22 103:4 113:7 123:18,20
understanding 65:5 115:7 understands 6:22 understood 60:14 79:6 128:19 unfavorable 8:10 units 41:5 Unknown 88:19 unpaid 23:3 unusual 12:24 up-to 76:1		
<hr/> V <hr/>		
valid 116:6 120:10 valuation 16:9 19:13 35:17,20, 22 36:16 valuing 37:18 79:19 116:10 variable 67:22 vary 23:10 vehicle 19:8 vehicles 18:20,22 19:4,9 Verdisco 39:14 verify 104:7 124:11 versus 15:1 88:2 viable 45:12 view 142:10 Virginia 9:20,21,23 10:3,5,11,12, 21 13:21,23 14:1,7,16 15:13,19 16:1 17:4,6 20:7,16,18 23:23 24:24 32:8 33:16,17 67:8,12,15 68:8,13,16 69:3,12,23 73:16 74:2, 11,13 85:20,21 86:3,5,16 87:23 89:9,12 97:3 136:21 139:5,6		
<hr/> W <hr/>		
wait 30:8 135:2 waited 5:9	year 11:12 14:4 19:7 Young 38:14 40:8,11 42:22 47:11,15 50:6 51:21 52:23 57:7 58:20 61:5 69:14,22 70:2,7 73:5 81:14 82:17 98:1 122:21 127:22 133:24 139:19,24 140:4 142:4	
<hr/> Y <hr/>		